

The Commercial & Financial Chronicle

INCLUDING

Bank & Quotation Section
Railway Earnings Section

Railway & Industrial Section
Bankers' Convention Section

Electric Railway Section
State and City Section

VOL. 95

SATURDAY, SEPTEMBER 21 1912

NO. 2465

The Chronicle.

PUBLISHED WEEKLY.

Terms of Subscription—Payable in Advance

For One Year.....	\$10 00
For Six Months.....	6 00
European Subscription (including postage).....	13 00
European Subscription six months (including postage).....	7 50
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Six Months Subscription in London (including postage).....	£1 11s.
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Transient matter per inch space (14 agate lines).....	\$4 20
Two Months (8 times).....	22 00
Three Months (13 times).....	29 00
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Twelve Months (52 times).....	87 00

CHICAGO OFFICE—Geo. M. Shepherd, 513 Monadnock Block; Tel. Harrison 4012.
LONDON OFFICE—Edwards & Smith, 1 Drapers' Gardens, E. C.

WILLIAM B. DANA COMPANY, Publishers,

P. O. Box 958. Front, Pine and Depeyster Sts., New York.

Published every Saturday morning by WILLIAM B. DANA COMPANY,
Jacob Selbert Jr., President and Treas.; George S. Dana and Arnold G. Dana,
Vice-Presidents; Arnold G. Dana, Sec. Addresses of all, Office of the Company.

CLEARING-HOUSE RETURNS.

The following table, made up by telegraph, &c., indicates that the total bank clearings of all clearing houses of the United States for week ending Sept. 21 have been \$3,220,145,900, against \$3,154,740,303 last week and \$2,925,861,871 the corresponding week last year.

Clearings—Returns by Telegraph. Week Ending Sept. 21.	0912.	1911.	Per Cent
New York.....	\$1,498,343,602	\$1,342,974,379	+11.6
Boston.....	129,613,030	123,604,947	+4.9
Philadelphia.....	128,403,481	114,557,353	+12.1
Baltimore.....	32,512,608	29,022,622	+12.0
Chicago.....	268,649,652	227,911,238	+17.0
St. Louis.....	67,042,427	66,078,451	+1.5
New Orleans.....	15,514,726	16,027,523	-3.2
Seven cities, five days.....	\$2,140,079,526	\$1,920,176,513	+11.5
Other cities, five days.....	537,424,276	500,004,692	+7.5
Total all cities, five days.....	\$2,677,503,802	\$2,420,181,205	+10.6
All cities, one day.....	542,642,098	505,680,666	+7.3
Total all cities for week.....	\$3,220,145,900	\$2,925,861,871	+10.1

The full details for the week covered by the above will be given next Saturday. We cannot furnish them to-day, clearings being made up by the clearing houses at noon on Saturday, and hence in the above the last day of the week has to be in all cases estimated, as we go to press Friday night.

We present below detailed figures for the week ending with Saturday noon, Sept. 14, for four years.

Clearings at—	1912.	1911.	Inc. or Dec.	1910.	1909.
New York.....	\$1,769,925,459	\$1,717,779,579	+2.0	\$1,519,351,551	\$2,277,891,889
Philadelphia.....	143,211,274	135,680,150	+5.5	131,156,741	419,111,337
Pittsburgh.....	52,358,796	46,766,243	+12.0	48,514,812	47,529,093
Baltimore.....	34,225,364	33,143,006	+3.3	32,278,950	26,751,998
Buffalo.....	10,851,969	10,413,251	+4.2	9,111,614	9,621,594
Albany.....	5,588,130	4,219,647	+32.4	5,827,338	5,768,583
Washington.....	6,561,978	6,240,470	+5.1	6,223,083	6,262,742
Rochester.....	4,653,086	4,514,101	+3.1	3,677,636	3,739,155
Scranton.....	2,400,000	2,592,643	-7.4	2,595,995	2,379,309
Syracuse.....	2,541,684	2,233,099	+13.8	2,165,973	3,123,741
Reading.....	1,815,612	1,651,434	+10.0	1,608,119	1,614,933
Wilmington.....	1,597,935	1,530,747	+4.4	1,459,707	1,331,734
Wilkes-Barre.....	1,411,390	1,405,097	+0.4	1,371,496	1,433,209
Wheeling.....	1,883,679	1,733,560	+8.7	1,693,681	1,543,064
Trenton.....	1,727,576	1,438,212	+20.1	1,453,278	1,399,468
York.....	869,048	845,681	+2.8	881,410	977,861
Erie.....	984,038	980,539	+0.4	910,169	837,478
Greensburg.....	512,371	459,080	+11.5	591,329	479,686
Altoona.....	516,422	563,824	-8.4	560,718	493,476
Binghamton.....	643,400	619,000	+3.9	551,600	479,900
Chester.....	615,777	499,490	+23.3	500,513	518,595
Lancaster.....	1,350,000	949,063	+42.3	973,668	-----
Total Middle.....	\$2,046,244,988	\$1,976,258,726	+3.5	\$1,773,459,372	\$2,542,288,845
Boston.....	153,961,936	145,492,665	+5.8	143,101,007	161,032,576
Providence.....	7,502,500	7,234,500	+3.7	7,924,300	7,147,300
Hartford.....	4,390,815	3,923,145	+11.9	3,620,095	3,275,752
New Haven.....	2,806,585	2,769,050	+1.3	2,504,337	2,536,813
Portland.....	2,340,837	2,007,667	+16.6	2,165,370	1,900,597
Springfield.....	2,430,990	2,164,139	+12.3	2,079,494	2,100,000
Worcester.....	2,611,769	2,865,641	-8.9	2,586,231	1,843,626
Fall River.....	1,175,417	1,088,531	+8.0	1,002,193	1,153,683
New Bedford.....	1,118,134	1,032,865	+8.3	889,788	1,229,131
Holyoke.....	659,019	619,829	+6.5	567,801	571,858
Lowell.....	650,000	603,658	+7.7	527,552	564,782
Bangor.....	527,516	451,852	+16.7	-----	-----
Tot. New Eng.....	\$180,175,518	\$170,255,351	+5.8	\$166,968,168	\$183,356,118

Note.—For Canadian clearings see "Commercial and Miscellaneous News."

Clearings at—

Week ending Sept. 14.

Clearings at—	1912.	1911.	Inc. or Dec.	1910.	1909.
	\$	\$	%	\$	\$
Chicago.....	293,094,872	275,427,081	+6.4	256,853,899	267,897,135
Cincinnati.....	26,950,750	26,539,100	+1.5	23,460,700	24,898,650
Cleveland.....	24,485,129	20,093,936	+21.6	20,402,278	21,058,075
Detroit.....	23,038,437	20,657,045	+11.5	17,750,422	17,696,068
Milwaukee.....	15,105,287	14,860,921	+1.7	13,065,482	12,413,798
Indianapolis.....	8,294,992	9,802,924	-15.4	9,620,701	8,087,748
Columbus.....	6,782,700	5,543,800	+21.4	5,480,100	5,951,300
Toledo.....	6,257,462	5,179,461	+20.8	4,224,960	4,196,783
Peoria.....	3,795,548	3,340,483	+13.6	2,889,187	3,098,631
Grand Rapids.....	3,040,663	2,666,115	+14.0	2,644,723	2,639,222
Dayton.....	2,200,351	2,261,149	-2.7	1,976,800	1,970,753
Evansville.....	2,450,887	2,414,554	+1.5	2,079,377	2,277,295
Kalamazoo.....	708,295	696,707	+1.7	651,761	645,328
Springfield, Ill.....	1,177,000	1,102,732	+6.8	997,210	1,091,634
Akron.....	1,420,000	1,507,000	-5.8	1,015,000	770,000
Fort Wayne.....	1,134,944	1,007,347	+12.6	980,599	883,679
Rockford.....	718,935	681,445	+5.4	678,685	632,735
Lexington.....	876,786	747,850	+17.2	652,344	633,183
South Bend.....	1,514,000	607,677	+149.2	534,092	547,723
Youngstown.....	1,532,486	1,575,326	-2.7	1,212,968	1,102,751
Bloomington.....	787,040	667,671	+18.0	629,713	519,621
Canton.....	1,295,459	1,100,360	+17.7	1,055,187	751,447
Quincy.....	746,850	657,432	+13.6	591,744	505,957
Springfield, O.....	694,356	532,536	+30.4	531,532	490,857
Decatur.....	663,548	456,358	+23.5	489,789	521,984
Mansfield.....	473,000	464,138	+1.9	454,509	444,584
Jackson.....	550,000	465,057	+18.3	370,000	353,000
Danville.....	432,337	398,756	+8.5	402,960	307,038
Lima.....	506,676	395,195	+28.1	328,054	355,549
Lansing.....	380,000	350,000	+8.6	300,000	-----
Jacksonville, Ill.....	324,716	206,508	+57.1	299,896	302,255
Owensboro.....	435,210	324,547	+34.2	400,000	-----
Ann Arbor.....	160,000	151,856	+5.2	137,177	137,659
Adrian.....	52,349	33,092	+58.2	27,266	28,006
Tot. Mid. West.....	432,081,065	402,905,959	+7.2	373,189,115	383,010,948
San Francisco.....	52,416,219	59,535,211	-12.0	52,953,932	45,850,985
Los Angeles.....	21,505,275	21,986,487	-2.2	17,441,094	12,177,448
Seattle.....	12,332,383	12,028,672	+2.5	12,284,793	14,255,911
Portland.....	13,743,903	12,262,896	+12.1	11,801,542	9,155,288
Spokane.....	4,380,211	4,865,632	-10.0	5,409,746	4,907,997
Salt Lake City.....	5,865,994	6,715,192	-12.7	6,118,460	6,641,685
Tacoma.....	4,086,454	4,775,065	-14.4	6,175,945	6,208,330
Oakland.....	3,362,107	3,925,508	-14.3	2,909,142	2,023,118
Sacramento.....	1,865,553	1,775,024	+5.1	1,660,370	1,426,681
San Diego.....	2,887,415	1,750,000	+65.0	1,500,000	1,330,000
Fresno.....	1,117,223	854,778	+30.8	859,178	853,514
Stockton.....	1,336,500	1,018,024	+31.2	757,338	754,554
San Jose.....	680,693	769,790	-11.6	743,993	580,789
Pasadena.....	1,158,279	843,323	+37.4	765,409	425,319
North Yakima.....	432,978	394,053	+9.6	475,000	410,962
Reno.....	369,384	315,998	+16.9	379,696	300,000
Total Pacific.....	127,540,571	133,815,653	-4.7	122,735,138	107,302,641
Kansas City.....	55,462,406	51,922,094	+6.8	55,369,616	49,455,930
Minneapolis.....	25,648,188	22,108,972	+16.0	25,288,727	23,779,046
Omaha.....	17,044,928	15,709,251	+8.4	17,034,636	14,230,033
St. Paul.....	9,813,157	10,293,298	-4.7	10,399,105	11,505,988
Denver.....	10,568,716	9,792,319	+7.9	10,786,928	9,025,530
St. Joseph.....	8,173,077	6,938,132	+17.8	6,230,616	5,853,965
Des Moines.....	4,346,593	3,802,168	+14.3	3,434,844	3,407,052
Sioux City.....	3,104,889	2,329,366	+33.3	2,959,019	2,976,862
Duluth.....	5,349,915	4,968,637	+7.7	4,296,683	5,967,240
Wichita.....	3,542,174	3,342,639	+6.0	3,424,373	2,670,251
Lincoln.....	1,757,881	1,768,682	-0.6	1,647,520	1,407,399
Topeka.....	1,427,039	1,450,649	-1.6	1,228,188	1,425,323
Davenport.....	1,499,906	1,354,801	+10.7	1,225,990	1,205,344
Cedar Rapids.....	1,287,956	1,163,876	+10.7	1,105,669	971,813
Fargo.....	451,464	930,404	-51.5	715,962	835,368
Colorado Springs.....	792,507	813,121	-2.6	751,707	813,391
Pueblo.....	670,844	658,287	+1.9	606,434	688,675
Fremont.....	323,090	315,288	+2.5	337,194	258,281
Waterloo.....	1,638,169	1,301,338	+25.9	1,034,967	-----
Helena.....	1,115,511	1,097,269	+1.7	903,261	804,597
Aberdeen.....	375,000	312,253	+20.1	447,851	-----
Hastings.....	210,415	187,167	+12.3	194,000	-----
Billings.....	418,077	326,719	+28.0	130,392	172,200
Tot. oth. West.....	155,021,902	142,886,630	+8.5	149,559,682	137,453,208
St. Louis.....	76,567,305	75,270,778	+1.7	67,576,745	66,473,965
New Orleans.....	18,656,839	18,099,350	+3.1	15,466,527	16,859,353
Louisville.....	12,505,900	12,106,092	+3.3	12,022,682	10,661,869
Houston.....	21,390,507	19,549,069	+9.4	16,966,440	13,958,649
Galveston.....	12,100,000	10,477,000	+15.5	8,854,000	5,818,000
Richmond.....	7,505,066	7,418,090	+1.2	7,362,973	7,151,999
Fort Worth.....	7,331,431	6,128,208	+19.6	6,760,426	6,541,141
Savannah.....	4,807,502	8,810,189	-45.4	6,783,574	8,288,865
Atlanta.....	11,361,923	12,425,697	-8.6	9,582,984	8,419,966
Nashville.....	6,363,443	4,772,430	+33.3	3,570,159	3,809,037
Memphis.....	5,914,680	4,473,483	+32.2	3,983,594	3,672,943
Norfolk.....	3,202,397	3,112,598	+2.9	2,459,174	2,880,289
Birmingham.....	2,384,774	2,286,048	+4.3	2,268,715	2,194,338
Augusta.....	1,815,648	2,460,381	-26.2	1,836,319	2,606,890
Knoxville.....	1,831,710	1,789,891	+2.3	1,671,313	1,426,888
Jacksonville.....	2,969,021	2,761,313	+7.5	2,250,000	1,625,949
Charattanooqa.....	2,658,843	2,029,863	+31.0	1,753,184	1,463,933
Charleston.....	1,289,383	1,582,897	-18.5	1,290,707	2,000,000
Little Rock.....	1,763,459	1,664,902	+5.9	1,377,436	1,632,979
Mobile.....	1,210,324	1,357,354	-10.8	1,344,984	1,198,464
Oklahoma.....	1,522,267	1,586,147	-4.0	2,550,000	2,000,000
Macon.....	3,283,488	3,974,263	-17.4	1,165,737	1,321,536
Austin.....	2,200,000	1,718,067	+28.1	1,514,136	833,331
Vicksburg.....	258,968	208,302	+24.3	238,286	216,453
Wilmington, N. C.....	700,000	698,597	+0.2	460,314	409,364
Jackson.....	466,776	385,297	+21.0	400,000	405,000
Tulsa.....	850,187	621,931	+36.8	-----	-----
Muskogee.....	764,418	756,103	+1.0	-----	-----
Total Southern.....	213,676,269	208,524,340	+2.5	179,910,403	173,971,201
Total all.....	3,154,740,353	3,034,647,650	+4.0	2,765,321,878	2,597,582,901
Outside N. Y.....	1,384,814,844	1,316,867,080	+5.2	1,245,970,327	1,249,391,001

OUR CONVENTION NUMBER.

With to-day's issue of our paper we send our subscribers our 'Bankers' Convention' Section, reporting the proceedings of the Convention of the American Bankers' Association, held at Detroit last week. This Convention number gives all the papers and addresses read and delivered before the Convention, and also the proceedings and discussions on the floor, including the deliberations of the Trust Company Section and Savings Bank Section.

THE FINANCIAL SITUATION.

A highly significant event is recorded in a four-line telegraphic dispatch which has appeared in the daily papers this week and has passed almost unnoticed. We have reference to the announcement that the Democratic State Convention in Wisconsin on Tuesday night of this week after a five-hour debate adopted a platform which pledges the repeal of the State Income Tax Law. Let the reader ponder well what this means. Think of a party convention in a radical State like Wisconsin—the State where Senator La Follette has been dominating affairs—taking a stand against an income tax law and think of the Democratic Party taking the lead in such a move.

Ever since Wm. J. Bryan in 1896 gained a foothold in the party the income tax has been a cardinal article in the Democratic creed. A declaration in favor of the income tax is contained in the platform adopted by the National Democratic Convention two months ago. Year in and year out Democratic orators have been singing the praises of the income tax. Mr. Bryan, Wm. R. Hearst, and others of lesser note, reinforced by the efforts of a sensational press, have been dilating upon the advantages and beauties of such a tax and been promising the millenium with its inauguration. Woodrow Wilson has been piping the same tune and Mr. Roosevelt, who is now fighting outside of party ranks, has been vociferating most strenuously in favor of the tax. President Taft has shown that he is not unkindly disposed towards it. In Congress the proposition for an Income-Tax Amendment to the Federal Constitution passed both houses almost unanimously, so confident were the politicians in both parties that an income tax would win popular support. Since then State after State has been ratifying the proposed Amendment, so that now it needs ratification only by two or three more States to make it a part of the U. S. Constitution. And yet now that Wisconsin—where radical ideas have flourished as in no other State of the Union—has actually put an income tax law upon its statute book, in advance of possible action by the Federal Government, every one is found arrayed in opposition thereto. Are we not right in saying that this is a most significant event?

Let the reader not assume that the action of the Democrats of Wisconsin was taken hastily or without deliberation. On the contrary, the Democratic candidate for Governor in Wisconsin, Judge John C. Karel, who got the nomination this week, made that the issue of his campaign and won out. At the Democratic primaries early in the month he defeated his opponent, Adolph J. Schmitz, for the Democratic nomination for Governor by a vote of 2 to 1. In Milwaukee County he carried every ward, town, village and city, with the single exception of the town of Granville, where Schmitz had 6 majority. This result came, the Wisconsin papers tell us, at the

close of a campaign in which Judge Karel was bitterly attacked for his position on the income tax. The Milwaukee "Sentinel" says Judge Karel, when asked to become a candidate for Governor, did not hesitate to urge a repeal of the statute, and he elected to stand or fall on that issue. The "Evening Wisconsin" in its news columns on Sept. 5 declared that "Judge Karel's nomination was given him because of his determined, unqualifying opposition to the present income tax law as enforced in Wisconsin. In this belief there exists no difference of opinion."

It was the same at the State Convention this week. There was a minority opposed to the plank for repeal of the law. They sought to temporize, but the news accounts tell us that "those who at first stood out for the retention of the plank in the State Convention platform heard from their constituents and were willing to concede that a plank repealing the law ought to be adopted." The bitterness of feeling against the law is indicated in a dispatch from Chippewa Falls to the "Evening Wisconsin" of Sept. 14, saying that "the corporations in this city were amazed when they received statements from the Wisconsin Tax Commission assessing their income at the rate of six per cent. * * * The operation of the law is arousing great indignation here. Some citizens are declaring that they will leave the State before they will be handicapped."

This is the frame of mind in which the people of Wisconsin find themselves after the law has been in effect only a few months, and before any tax has actually been levied under it, the proceedings thus far being simply the preliminary steps taken for enforcing the provisions of the Act. The gist of the law has been set out in these columns several times. It embodies all the ideas for which the most prominent advocates of the income tax have always been contending; it includes the progressive principle—that is, provides for an ascending rate of tax, with the growth in income—and assesses incomes from the lowest to the highest.

The objections now urged against the law are such as have been frequently enumerated. It is declared that the law is inquisitorial and pries into the private affairs of men. No income tax can ever be otherwise. It is declared that it is not going to yield the amount of revenue expected and that its chief usefulness appears to be in providing places for the hangers-on of the party in power. It is also contended that it will operate unevenly and is driving people out of the State. Finally we are told that it is becoming evident that the tax will be burdensome upon all classes and that in its operation it must confirm the theory that after all it is the "ultimate consumer" who will pay the tax.

In the last analysis the hostility to the law is to be explained on the ground that in its practical operation it has proved an eye-opener. The average citizen of Wisconsin has in the past been listening with approval to the arguments in favor of an income tax because in his innocence he imagined the matter was of no concern to him personally. He supposed only the rich and the wealthy would have to pay it, and certainly only those whose income was in excess of his own. Why should he not be in favor of the tax under these circumstances? In actual operation he finds that the tax hits everyone—the professional man, the wage earner, and those in receipt of a moderate stipend as well as those whose reward for their services is on a more liberal scale. In other words, he perceives that the tax is a tax upon himself. He feels that he has been deceived and consequently is turning against the law.

An effort is being made to cultivate the notion that it is merely this particular income tax law that does not suit; but the attempt is too transparent to succeed. The Wisconsin Democratic platform begins by saying, "We favor a national income tax as proposed in the platform of the National Democratic Party adopted at Baltimore," which, of course, means nothing save a desire not to embarrass Woodrow Wilson, and then goes on to say: "We are opposed to the present State income tax, forced upon the people of the State by the Republican Party at the last session of the Legislature. * * * We promise its immediate repeal. We pledge ourselves to submit to the people of the State at the time of holding the spring elections in April 1913 the question whether or not it is their desire that a State income tax law be enacted." It is safe betting that if Wisconsin voters are given a chance to declare themselves the income tax principle will go down with the law.

Senator La Follette appreciates that one of his pet notions is at stake and has determined to come to the rescue. Dispatches from Madison, Wisconsin, state that he will take the stump for the State Republican ticket because of the attitude of the Democrats as expressed in the platform declaring against the income tax. We are told that La Follette is angry with the Republican nominee, Mr. McGovern, (who has just secured a renomination) because of the aid which McGovern extended to Roosevelt at the National Republican Convention at Chicago, but will support the Republican ticket nevertheless since he considers the menace of a Karel victory in the State election as the greatest danger of all. Mr. La Follette, however, will find the task no easy one. A wing of his own party is strongly opposed to the income tax law. In fact the Republican platform itself is more of a straddle on the proposition than a straight declaration in its favor—which is further evidence going to show how the law has grown in disfavor. The Republicans, in their platform, contend that "the law and its administration should be simplified to the end that the citizen may not be put to unnecessary trouble and expense," but asserts that "the law is right in principle and should be given a fair trial." How this attitude is viewed by the best sentiment of the State appears from an editorial article in the Milwaukee "Sentinel". The "Sentinel" is one of the staunchest Republican newspapers in the State and as the following excerpt will show it is fearful that the Republicans will lose the State because the party in its platform has failed to take a stand in opposition to the income tax law.

"The Karel Democrats have had sense enough to seize on this issue of State income taxation. The Republicans missed their chance by failing to put an anti-income tax candidate against McGovern at the primaries. The right kind of a man could have beaten McGovern out on that issue as easily as Karel beat Schmitz—no doubt at all about it.

But now the prospect is (and as a Republican paper we admit it with the deepest regret) that Republican folly on that issue will enable the Karel Democrats to clean out the party in power at Madison, in spite of the ramifying machine Mr. McGovern has built up by patronage and creation of new public jobs.

The easy victory of Karel over Schmitz on the income tax issue makes it plain that the stronger the Democrats draw that issue against Mr. McGovern the better it will be for their chances."

With the issue thus clearly defined, the result in Wisconsin would seem to be a foregone conclusion, for no man with his eyes wide open is going to vote deliberately for a tax upon himself. Whatever may be

said in favor of an income tax abroad, it has no place in this country and, what is more, there is no need for it here. The country is able to raise ample revenue in other ways for all the needs of the Government. Should Congress impose an income tax under the proposed Amendment to the Federal Constitution, it will be simply an invitation to reckless extravagance. It might begin with a tax of one per cent levied only on incomes in excess of \$5,000 but the limit of exemption would ere long be reduced to \$1,000 and the rate would steadily rise.

Dissatisfaction with the Wisconsin law presents, however, some other aspects, which should not be lost sight of. It serves to discredit radical ideas and may easily be followed by a revulsion of sentiment against the whole radical program as promulgated by such men as Bryan, Roosevelt, Hearst and Woodrow Wilson. When put to the test, the income tax, instead of a benefit, is proving a burden; as all the other promises of the ultra-radicals are of the same airy character, faith in their whole program will disappear. A disposition has been noticed all over the country in recent weeks to turn away from the radical propaganda. Indeed, the continued recovery in general trade is founded on the idea that there is to be no political upheaval, notwithstanding the Roosevelt crusade. If this diagnosis should prove correct and the movement away from the extremist position should make progress, Mr. Taft's re-election might easily become assured. Mr. Taft is far from being a conservative in the sense that the word is used in the political world, but on this occasion he stands for the maintenance of the Constitution against the attacks of Roosevelt and his followers, and for the preservation of representative government.

In our trade with the outside world new high records for the period were again established in August, in both the inward and outward flow of merchandise. In fact, each month thus far of the current calendar year the imports have exceeded those of the corresponding interval of 1911, and the same is true also of exports, with the single exception of June, when the shipments of cotton and breadstuffs were unusually small. The salient feature of the latest official foreign trade statement is the continued and important growth it shows in our exports of manufactures, &c.—the commodities upon which the country now practically depends for any further expansion in our exports. With the extension of our area under cotton and larger crops of the staple, greater quantities will inevitably go abroad, and an augmentation in the outflow of mineral oils is to be expected; but with the increasing needs at home, foodstuffs, in the absence of efforts to considerably add to the production, will become a secondary item in our foreign trade.

The August exports this year were \$167,385,095, against only \$144,185,093 in 1911 and \$134,666,378 in 1910. Shipments of breadstuffs, although greater than in July, fell below those of August 1911, and the same is true of provisions and cotton. These losses from last year were only in part offset by gains in mineral oils and cottonseed oil, the month's exports of all the articles mentioned covering a value of only 45½ million dollars, against 48¾ millions a year ago and 46 millions in 1910. On the other hand, of other commodities (manufactures, &c.) sent out in August 1912, the aggregate value was 122 million dollars, or 26½ millions more than for the month of 1911 and nearly 34 millions greater than two years ago. For

the eight months since Jan. 1 the 1912 figures, of course, set a new record, having been \$1,416,522-431, as compared with \$1,259,702,587 a year ago and \$1,054,053,115 in 1910. The articles that have contributed most largely to this year's increase are automobiles, iron and steel manufactures, leather manufactures and copper manufactures.

Imports of merchandise during August reached \$165,020,792, against \$125,945,385 in 1911 and \$138,358,307 in 1910, and the total for the eight months at \$1,188,233,756 records an increase of 181 millions over the period a year ago and of 133 millions as contrasted with 1910. While an increasing inflow is to be noted in pretty much all of the various articles we import, the augmentation thus far in the current year as compared with 1911 is especially marked in such staple commodities as sugar, coffee, India rubber, vegetables, tin, hides and skins and wool.

Owing to the large imports, the net result of our foreign trade for August was a balance of exports of only \$2,364,303. For the eight months, however, the balance on the same side of the account is \$228,288,675. In both cases this is smaller than a year ago, when the export balance for August was \$18,239,708 and \$251,957,046 for the eight months. In August 1910 there were net imports of \$3,691,929 and for the eight months of that year the imports actually exceeded the exports by \$1,044,781. The record eight months' export balance was in 1908—\$391,369,960.

Gold production in the Transvaal for Aug. 1912 fell a little below the total for July but largely exceeded that for the month of 1911. The aggregate yield as cabled last week was 764,737 fine ounces, bringing the total for the period since Jan. 1 up to 6,073,982 fine ounces. These results compare with 713,407 fine ounces for Aug. 1911 and 5,398,817 fine ounces for the eight months, and 649,269 fine ounces and 4,947,488 fine ounces respectively in 1910. The current rate of production maintained during the remainder of the year would insure for the Transvaal for 1912 a yield of nearly 9,150,000 fine ounces, and taking into account the increasing production of Rhodesia, West Africa, &c., give for the whole of Africa a total of approximately $10\frac{1}{4}$ million fine ounces, or a virtual doubling of the output of the mines of that country in seven years.

The record of building operations in the United States for Aug. 1912 is seemingly an unfavorable one when comparison is made with the result for the corresponding period of the previous year. As a matter of fact, however, the decline indicated is explained entirely by an unusual development in Aug. 1911. Under a new ordinance that went into effect in Chicago on Sept. 1 of that year the height of buildings to be erected in that city is restricted to 200 feet whereas under the old ordinance an altitude of 260 feet was allowed. To take advantage, therefore, of the latter, plans for very many buildings were filed in the closing days of August, the permits issued in the five days ended the 31st covering estimated expenditure of almost 15 million dollars and swelling the month's total to the extraordinary amount of \$26,200,500. Much of the work then initiated has remained dormant since then and some of the projects may never be carried to completion; but the effect was to abnormally inflate the country's reported operations for that month. Contrast with 1910 is also considerably

disturbed by a special circumstance: at Duluth, in the last mentioned year, the U. S. Steel Corporation (in August) filed plans for a branch plant estimated to involve the expenditure of some \$10,000,000. Eliminating from the comparison these two unusual developments, there would remain for 1912 an aggregate of intended outlay fully 10 million dollars greater than for 1911 and nearly 13 millions in excess of 1910.

The foregoing explanation is essential in preventing the drawing of wrong conclusions as to the relative activity in construction work this year as compared with either August 1911 or August 1910. Taking the August compilation as it stands, we find that the total for 1912 for 136 leading cities is \$85,956,515, or \$7,510,479 (8%) less than for the month of 1911, but \$4,443,502 (5.5%) greater than in 1910. For Greater New York the result is much more favorable than a year ago, the contrast being between \$18,570,299 and \$13,886,012. Exclusive of Greater New York the prospective outlay is \$67,386,216 for 1912 against \$79,580,982 in 1911 and \$66,718,820 in 1910, the most satisfactory showing being in New England and at the South.

For the eight months this year Greater New York's operations, at \$161,776,809, exhibit a gain of 18.3% over last year and 8.7% over 1910. Outside of this city the 1911 aggregate is exceeded by 2.3% and that of 1910 by 8.7%, the respective totals having been $510\frac{1}{8}$ millions, $498\frac{1}{2}$ millions and $469\frac{1}{8}$ millions. For all cities combined the intended expenditure is only a little less than 672 million dollars for 1912 as against 635 1-3 millions last year and 618 millions in 1910. Analyzing the results by sections of the country, we find that 22 New England municipalities show a collective gain of $10\frac{1}{2}$ million dollars over 1911, thirteen on the Pacific an excess of 11 millions and 21 "Other Western" one-half a million. The middle section (New York excluded), 30 cities in all, shows a loss of 2 millions, the Southern (24 cities) $2\frac{1}{4}$ millions and the Middle West (25 cities) $6\frac{1}{2}$ millions, with the decrease at Chicago alone 15 millions, the reason for which is stated above.

As regards Canadian building operations, there is nothing new to be said. Activity continues unprecedented in most localities, a not unnatural sequence of the efforts that are being put forth to develop the various resources of the Dominion. For the month of August returns are at hand from 48 cities and in the aggregate they indicate projected expenditures for building construction work of \$18,633,790 for the month this year, against \$12,648,667 in 1911 and less than 9 million dollars in 1910. The eight months' total for the same 48 cities (25 in the East and 23 in the West) reaches 131 1-3 million dollars, or 36 millions more than in 1911 and 59 millions greater than for 1910.

After a considerable amount of uncertainty, which, however, is one of the characteristics of financial or other negotiations with China, the net result appears to be that an independent loan of £10,000,000 has been arranged and that a first payment of £500,000 on account, to bind the bargain, has been made. We explained last week the genesis of this transaction and showed how it had originated in the mind of an American promoter of ample assurance named Wendell Jackson. This week's addition to the news—for the agreement for the loan was signed on Aug. 30 by the Chinese Minister in London—shows that Mr. Jackson interested the London Stock Exchange firm of C. Birch, Crisp & Co. in the enterprise and it was this

firm that organized the syndicate that includes the Lloyds Bank and other large financial interests. Some significance is attached to the participation of the Stock Exchange firm in question as it has at times been interested in a large way in Russian enterprises. Some connection, therefore, is sought to be traced in some circles between the new loan and the opposition of Russia and Japan, of about two months ago, to the Six-Power loan, which opposition was, however, on the surface at least, subsequently withdrawn. It is reported by cable that £500,000 in Chinese Treasury bills, representing the first payment on account of the loan, have been offered in the London market and have been accorded a favorable reception. Although there has suddenly appeared in competition other Chinese Treasury Bills which most probably represent the loan to China made by a Belgian Syndicate early in the year. Bankers in London connected with the negotiation of the so-called Six-Power loan announce that the ministers of these Powers in Peking have been instructed to express disapproval of the independent loan and also have declared that China has no liberty, pending a definite closing of the negotiations with the Six-Power syndicate, to make outside arrangements. If the Chinese Government does contract other loans, they urge, the lenders advancing the money will do so at their own risk and without the support of the governments interested. How this can be so definitely stated does not appear altogether clear. China informally re-approached the old syndicate during the present month (after the signing of the independent loan contract) but the banking group will, it is announced, not reopen negotiations unless assured of China's sincerity.

Representatives of the independent syndicate are quoted as scoffing at the suggestion that the British Government will ask China to repudiate the contract made by the Chinese Minister at London under the authority of the Chinese Premier and the Minister of Finance. Before negotiating with China, according to a statement made by C. Birch, Crisp & Co., that firm made inquiries at the Foreign Office and were told that the field was free and open and that the Foreign Office would not attempt to interfere. The firm suggested that the Foreign Office write a note saying that for reasons of State the Office would prefer that no one outside of the Six-Power group attempt to make a loan; but the Foreign Office replied again that the field was open, that it would not put anything into writing, but that the British Government preferred to see the loan made under the conditions and through the financiers of the Six-Power group.

In diplomatic circles at Peking it is believed, according to press dispatches, that the new Chinese loan is principally an effort to force the Hong Kong and Shanghai Bank to allow free English participation in the pending Six-Power loan. The agreement, signed in London Aug. 30, gave China the option, it is reported, of making a 5% loan at 89, a 5½% loan at 92 or a 6% loan at 95, with 1% additional for commission. The National Assembly at Peking on Tuesday adopted a resolution pledging that body to support the Government in the conclusion of any reasonable loan scheme.

It is gratifying to learn that the Russian Government has agreed to the negotiation of a new treaty with our Government to supersede that which will be terminated on January 1 next. The formal diplomatic exchanges, however, will not be begun until Secretary Knox returns from Japan. The treaty of

commerce and navigation between the United States and Russia, which has been in force since 1832, was abrogated by President Taft last December and a full year's notice of its formal termination given. It will be recalled that the President's action arose from the Russian Government's refusal to honor American passports in the hands of American citizens of Jewish birth seeking to enter Russia. Early in December the House of Representatives, with only two dissentient votes, adopted a resolution charging Russia with violating its treaty obligations and giving notice of the intention of this Government to terminate the treaty at the expiration of the year. Before the Senate took formal action on the resolution, President Taft, in order not to unnecessarily create a feeling of resentment by Russia, caused the Russian Government to be officially notified of our intention to bring the treaty to a close, but did not present any statement of reasons or make any imputations against the Russian Government's conduct in the passport matter. Thus the way has remained opened for the friendly negotiations that have already begun.

There has been another severe battle in Tripoli. According to advices which come from Italian sources, the most sanguinary engagements of the war were fought on Tuesday near Derne, a town on the Mediterranean coast 140 miles east of Bengazi. The Italians lost 61 killed and 113 wounded, while the Turks and Arabs left more than 800 dead on the field and more than 1,000 were wounded. Nevertheless, there is encouragement in the news from abroad to believe that an agreement on peace terms has virtually been reached.

On Oct. 15 of next year it is expected by Col. Goethals, in charge of Panama Canal construction work, that navigation between the Atlantic and the Pacific oceans will be inaugurated by an American naval vessel. This is the tentative date that has been set for the opening of the Canal, although the formal opening will take place on January 1 1915. The President's approval of the Canal-opening program is being awaited by Col. Goethals, who now believes that a saving of \$25,000,000 will be made in the cost of the great waterway as compared with the \$400,000,000 estimated cost of construction. Such energy is being exerted by European and even Asiatic government interests to get ready for the opening of the waterway and develop business relations with the Latin-American republics that the United States must hurry or be willing to appear at the tail end of the international race for Spanish-American trade, according to John Barrett, Director-General of the Pan-American Union, who has recently been studying conditions abroad. Mr. Barrett summarizes his observation in his official report as follows:

1. Every important port of Great Britain, France, Germany, Holland, Belgium, Scandinavia, Spain, Italy and Austria is being improved to the highest degree of efficiency for oversea commerce.

2. Every European shipbuilding yard of recognized standing is busy to its capacity constructing ocean-going merchant vessels. Old-established steamship lines are adding up-to-date vessels to their fleets, and new companies are being formed and ordering ships.

3. European governments are instructing their diplomatic and consular agents to study and report upon every phase of trade opportunity expected to result from the Canal. Their chambers of commerce and their commercial organizations are co-operating along the same lines, and the business schools are educating trained men for the field. Gov-

ernment officials and representative men in private life are showing particular hospitality and courtesies to the visiting representative men of Latin America and all the other countries whose trade they want. Their banking and investment houses are extending their foreign facilities. Their private business companies of already large established trade and their new companies are sending agents and scouts to Latin America and all parts of the world affected by the Canal to investigate trade possibilities.

4. In Japan three steamship companies are building vessels for the Canal. Japanese banks are considering the opening of branches in Latin America. A score of Japanese manufacturing, exporting and importing houses have numerous agents in Central and South America. One Chinese-owned steamship company is planning to operate a line from Shanghai and Hong Kong to Central and South America. Australia's commercial organizations are sending men to South America to develop trade, while Australia and New Zealand are planning to establish a canal steamship line of their own. A new line of freight vessels is to run from Calcutta or Bombay to South America. Canada will run two new direct lines, respectively, from Vancouver and Montreal to the corresponding coasts of Latin America.

5. The west or Pacific coast of South America, reaching 5,000 miles south from Panama, is showing great preliminary activity. Chili, Peru and Bolivia are spending \$50,000,000 in opening up their interiors with railways. Chili is building at Valparaiso a new artificial harbor to cost \$15,000,000. Guayaquil, the principal port of Ecuador, and one of the best harbors of the Pacific Ocean, is to be made sanitary at a large expense. Callao, the chief port of Peru, is being improved. On the east coast the activity is even greater, for both Argentina and Uruguay will spend nearly \$30,000,000 in port improvements at Buenos Aires and Montevideo, respectively. Brazil is putting in first-class condition every port along her 3,000 miles of coast line from Rio Grande do Sul, in the South, to Para, at the mouth of the Amazon. One hundred million dollars is being expended in constructing new railways into the interior of Brazil. Venezuela and Colombia, Central America, Mexico, Cuba and the other West Indian countries are awakening also to the significance and possibilities of the Canal, and are sending agents and appointing commissions to study the situation as it affects them.

In a note presented to the Nicaraguan Government by United States Minister Witzel, our Government seems to have definitely outlined its policy that promises to apply as a warning, not alone to Nicaragua, but to other countries not excluding Mexico. This note, which was issued on telegraphic instructions from Acting Secretary of State Huntington Wilson, has been placed in the hands of the rebel leaders in the recent Nicaraguan revolt and published in every newspaper in Nicaragua. It has also been telegraphed to every United States legation in Central America and through them communicated to the various countries. The note asserts the purpose of the United States to guard the legations, protect American life and property and prevent a recurrence of the corrupt and barbarous order of things which prevailed under the tyranny of the former dictator President Zelaya. It follows, in part:

You may textually communicate to the Government to which you are accredited, and unofficially to the rebel leaders, as well as make public, the following as an authorized declaration of the policy of the United States in the present disturbances:

"The policy of the Government of the United States in the present Nicaraguan disturbances is to take the necessary measures for an adequate legation guard at Managua, to keep open communication and to protect American life and property.

"When the American Minister called upon the Government of Nicaragua to protect American life and property, the Minister for Foreign Affairs replied that the Government troops must be used to put down the revolution, adding: 'In consequence, my Government desires that the Government of the United States guaranty with its forces security for the property of American citizens in Nicaragua and that

they extend this protection to all the inhabitants of the republic.'

"In this situation the policy of the Government of the United States will be to protect the life and property of its citizens in the manner indicated, and meanwhile to contribute its influence in all appropriate ways to the restoration of lawful and orderly government, in order that Nicaragua may resume its program of reforms unhampered by the vicious elements who would restore the methods of Zelaya.

"The revolt of General Mena in flagrant violation of his solemn promises to his own Government and to the American Minister and of the Dawson agreement, by which he was solemnly bound, and his attempt to overturn the Government of his country for purely selfish purposes, and without even the pretence of contending for a principle, make the present rebellion in origin the most inexcusable in the annals of Central America. The nature and methods of the present disturbances, indeed, place them in the category of anarchy, rather than ordinary revolution."

The London market has been compelled to supply an active foreign demand for gold, including £150,000 for New York account, which was purchased at the weekly offering of South African bullion on Monday, and an additional sum of £70,000, which was announced yesterday (Friday). Part of the first engagement was shipped to New York from Southampton on the German steamer Kaiser Wilhelm der Grosse and should arrive on Tuesday; and the remainder leaves on the Cunarder Mauretania to-day (Saturday) and is due to arrive on Friday next. Therefore only the £54,000 which is the amount on the German boat can participate in next week's Clearing House statement. The London market, to quote the City article of the London "Times" of Thursday, "was somewhat puzzled by the announcement made in New York that £150,000 gold had been engaged in London for export to the United States. It was thought at first that the gold must be obtained from two or three clearing banks which are understood to keep stocks of the metal, because nothing was known on Monday in the bullion market of any sales of South African bars to purchasers for American account. It appears, however, that out of a large portion of these bars believed and announced to be secured for 'the Continent' the above sum was really for the other side of the Atlantic. It is difficult to understand what is gained by attempts to conceal operations of this kind, which from their nature cannot be kept secret more than a few hours."

It is quite evident, therefore, that New York was well in advance of London in its information regarding its initial importation of gold for the season. The competitors of Messrs. Goldman, Sachs & Co., the importers, are emphatic in their suggestion that the transaction was a special one and that at the ruling rates for sterling exchange it could not have been completed at a profit. However, it seems to have become quite customary for such criticism to be leveled at initial importations or exportations, and we have no doubt that the bankers mentioned are quite satisfied with the results. In fact no attempt is made to deny that it constituted a so-called special transaction and the facts are that the gold is in the nature of part payment for a sale of \$4,000,000 of New York City revenue bonds which mature in January and were sold by the City on a 4½% basis. It is understood that the bankers in question placed a large block of these bonds abroad and that the importation of gold referred to represented part of the payment for the securities, the remainder of the purchase price being financed in the usual course of exchange transactions. Within the last six weeks Comptroller Prender-

gast has sold \$25,000,000 in New York City revenue bonds that will on the average have cost the City a shade less than 4%. There is of course no 4% money available on this side at the present time. New York's short-term bonds have proven particularly attractive abroad. The engagement of gold just referred to is the first that has been announced since August 8 1910, when a movement was culminated that brought in altogether \$13,225,000 from London. Incidentally it is of interest that Goldman, Sachs & Co., who have inaugurated this season's movement, made the concluding engagement in the 1910 movement.

Cable advices from London express the expectation in the bullion market there that New York will be an active bidder in next Monday's weekly offering of Cape gold. Last week's offering amounted to £820,000, of which £150,000 was taken by India, leaving £670,000 for other countries, as it is not believed that the Bank purchased any of the offering. As already intimated, considerable mystery seems to have clothed the entire transaction. Egypt, Turkey, Holland and Java purchased gold at the Bank of England during the week and London cablegrams suggest that the Bank is inclined to resist shipments of the precious metal to New York until the German demand to meet the exigencies of closing quarter-year had been satisfied. It was reported that while London was prepared to discount American bills freely in view of the large export movement of American agricultural products that is in sight, any determined demand from America for actual transfer of gold would quickly cause an advance to 5% in the Bank of England's minimum discount rate, as such a demand would be coincident with demands from Egypt, Germany, Turkey and Brazil.

In Lombard Street bank discounts still continue much firmer than day-to-day money. For sixty day bankers' acceptances quotations at the close yesterday were cabled at $3\frac{3}{8}$ @ $3\frac{1}{2}$ %, while long bills were $3\frac{3}{4}$ %. These are the spot quotations. A week ago the quotation for short bills was $3\frac{3}{8}$ and $3\frac{5}{8}$ % for long. Those to arrive closed fractionally firmer for the week at $3\frac{3}{4}$ % for sixty days and 4 @ $4\frac{1}{8}$ % for ninety days.

There is also talk, according to Paris cables, of an increase in the official discount rate of the Bank of France in the near future from the 3% basis that is now current. Such an advance, however, does not seem to be generally credited in New York banking circles that are identified especially with the French centre. But a probable basis for the report is the fact that the open market rate in Paris has been advanced to the official basis, which is an unusual occurrence in the French market. Paris, as we noted last week, has been experiencing a worldwide demand for funds and the banks at that centre are always inclined to be cautious. At Berlin a decline in the open market rate of $\frac{1}{4}$ %, to $4\frac{3}{8}$ %, for spot bills during the week suggests that, as has heretofore proven the case under such circumstances, preparations have been made well in advance to meet the large payments due at the end of the quarter year. Bills to arrive, however, are quoted at $4\frac{1}{2}$ @ $4\frac{3}{4}$ %. German financial interests, we learn, have been bidding on a basis of 6% for thirty day loans in New York, but it cannot be discovered that these offers had led to definite business, since American bankers at the moment seem to have all they can do to look after their customers on this side of the water. The private discount rate in Amsterdam is now quoted at $4\frac{3}{8}$ @ $4\frac{1}{2}$ % notwith-

standing that the Bank rate still remains at 4%. Brussels is $\frac{1}{4}$ % higher for the week and closes at $4\frac{1}{4}$ %. The official Bank rates at the leading foreign centres are: London 4%; Paris 3%; Berlin $4\frac{1}{2}$ %; Brussels 4%; Amsterdam 4%; Bombay 3%, and Bengal 3%.

The Bank of England on Thursday reported a loss of £536,666 in its gold and bullion holdings and now holds £41,632,435, which compares with £43,078,749 one year ago and £39,091,224 in the corresponding week of 1910. The total reserve was reduced £125,000, to £31,534,000, as against £32,572,834 last year and £29,905,229 in 1910. The proportion of reserve to liabilities is now 50.64%, which compares with 50.34% last week and 56.70% at this date last year. The loan account of the Bank continues well ahead of recent years, although it was reduced £491,000 during the week, to £35,597,000, comparing with £29,080,887 in 1911 and £29,111,610 the year preceding. Public deposits increased £371,000 but other deposits decreased £1,000,000, while note circulation showed a contraction of £411,000. Our special correspondent furnishes the following details of the gold movement into and out of the Bank for the Bank week: Imports, £73,000 (of which £7,000 from Australia and £66,000 bought in the open market); exports, £1,245,000 (of which £500,000 to Egypt, £300,000 to Turkey and £70,000 to miscellaneous destinations, and £375,000 German coin sold), and receipts of £635,000 net from the interior of Great Britain.

The weekly return of the Bank of France shows that the Bank is firmly holding its gold despite the urgency of the worldwide demand. The gold coin and bullion holdings, instead of decreasing, show a net gain of 71,000 francs, bringing the total up to 3,279,896,000 francs, which compares with 3,122,970,000 francs last year. Paris cable advices state that gold is getting perceptibly scarcer in circulation and is being quoted at about 30 francs per 1,000 francs premium. The Bank continues to pay out silver very freely, this week's statement indicating a further loss in this item of 3,675,000 francs. This reduces the total holdings to 769,150,000 francs, which compares with 823,325,000 francs at this date one year ago and 848,025,000 francs in 1910. In fact there has been a gradual decrease in the Bank's silver holdings since 1906, when the total amounted to 1,047,461,634 francs. Note circulation this week registered an expansion of 9,950,000 francs, but is still 71,500,000 francs below last year's statement. General deposits decreased 4,625,000 francs compared with a week ago, discounts increased 49,300,000 francs and treasury deposits increased 20,600,000 francs, while advances were curtailed 1,250,000 francs.

The Imperial Bank of Germany, whose weekly statement was published on Monday, showed a distinct strengthening in its position as a preparation for the strain that has been so generally predicted for the close of the September quarter. The Bank reports a further increase of 13,574,000 marks in gold and of 22,778,000 marks in total cash. Meanwhile deposits increased 121,722,000 marks, though discounts were also increased 69,598,000 marks. Direct loans, however, were reduced 6,802,000 marks and notes in circulation showed a contraction of 26,721,000 marks. The Bank's total stock of gold and silver is now 1,302,480,000 marks, which makes a favorable comparison with 1,145,013,000 marks in 1911 and 1,040,160,000 marks in 1910. Total loans and discounts are

making a much better showing than has recently been the case, amounting to 1,264,540,000 marks, against 1,220,538,000 marks in 1911 and 1,095,440,000 marks in 1910. The outstanding circulation of the Imperial Bank is 1,719,606,000 marks, which compares with 1,644,131,000 marks one year ago and 1,514,180,000 marks two years ago.

In local money circles there has been at the close of the week, a slight relaxation evident. Call rates on Monday reached a maximum of $5\frac{1}{2}\%$ for Stock Exchange loans and renewals throughout the week were almost entirely on a 5% basis until yesterday, when the ruling basis was $4\frac{3}{4}\%$; while loans for fixed maturities are also fractionally lower. As was to have been expected, the bank statement last Saturday indicated an active curtailment of loans. The decrease in this item, including all banks and trust companies in the Clearing House, amounted to \$27,435,000. However, a decrease in deposits cut down the reserve requirements \$8,076,650, so that notwithstanding the loss of \$7,208,000 in specie and legal tenders, the actual cash surplus above requirements indicated an increase of \$868,650, making the total amount of free cash \$3,619,750, which compares with \$24,322,300 one year ago and a surplus held by the banks alone in 1910 of \$21,369,200. This is certainly a very narrow margin for the financial institutions of New York to hold at this season of the year. There has, however, been a perceptibly calmer feeling in banking circles during the week, as a belief prevails that, should conditions warrant it, the Treasury Department will afford substantial relief by increasing the Government's deposits in the national banks throughout the country. Representatives of the Treasury Department have this week interviewed New York banks as to the necessity of the Government stepping in, but we understand they have received slight encouragement for prompt action. The position of New York bank officers seems to be that the money situation, while undoubtedly reflecting an active demand, is in a very healthy condition. Banking supplies are not tied up in speculative movements and the demand is purely of the wholesome and routine character that comes from improvement in our mercantile and manufacturing activities, which are coincidental with an active demand for banking facilities from the agricultural sections of the country occasioned by the necessity of gathering and marketing one of the largest crops—considering production as a whole—that this country has ever enjoyed. The legal rate of interest has not been reached even for demand loans, while time money is available for legitimate purposes at about $5\frac{1}{4}\%$. This is a situation, bank officers believe, that does not in any way indicate distress, and merely marks a period of prosperity in banking circles that is legitimate and compensates for the many protracted periods of unprofitable business that the financial institutions of the country are called upon to face. Of course the question of self interest on the part of New York banking institutions is not entirely absent in such reasoning, for it is recognized that if the Treasury Department decides to release funds, the distribution will be more or less general through the banks of the agricultural districts, and the result would naturally be a reduction of interest rates throughout the country, in which New York would participate. But on the other hand they would not receive a sufficient volume of Government funds to compensate for the lower interest rate that would probably ensue on funds already employed. A

part of the \$1,100,000 in gold which was engaged in London on Monday for shipment to New York will undoubtedly appear in next week's bank statement and the remainder the week following, and as it is expected in foreign banking circles here that imports of the precious metal will soon become quite general, it seems fair to assume that continued relief from this source may be anticipated. Furthermore, the banks are in a position to take advantage of the emergency currency act of 1908, which will permit them to increase their circulation when occasion arises; but there is little expectation that such action will be necessary. There is very little market at the moment for mercantile paper, but this is not causing much inconvenience as merchants and manufacturers, anticipating the present strain in the money situation, as a rule seem to have made their preparations well in advance. It is understood that some of the note brokers who themselves purchase the paper of their customers and endorse it to re-sell as double-name paper have found some difficulty in disposing of the full amount of their purchases and have appeared as borrowers for short terms at some of the local banks, depositing the paper in question as collateral. Domestic exchange rates have not ruled so strongly against New York at the interior this week and New York exchange at Montreal has ruled about par, suggesting that both the interior and Canadian banks have been more inclined to permit their funds to remain in this center at the remunerative rates at which they can be employed.

Call money during the week has ranged between $4\frac{1}{2}\%$ and $5\frac{1}{2}\%$, with, as already noted, 5% the renewal rate during most of the week. On Monday the highest figure was $5\frac{1}{2}\%$ with $4\frac{1}{2}\%$ the lowest and 5% the renewal rate; Tuesday's and Wednesday's highest was $5\frac{1}{4}\%$, lowest $4\frac{1}{2}\%$ and renewal rate 5%; on Thursday the maximum figure was 5% with $4\frac{1}{2}\%$ still the lowest and 5% the ruling rate; Friday's extremes were 5% and $4\frac{1}{2}\%$, with $4\frac{3}{4}\%$ again the rate for renewal of Stock Exchange loans. Time money shows a fractional decline from the quotations of a week ago, closing rates being $5\frac{1}{4}\%$ @ $5\frac{1}{2}\%$ for sixty days, $5\frac{1}{2}\%$ for ninety days, $5\frac{1}{2}\%$ @ $5\frac{3}{4}\%$ for four months, $5\frac{1}{4}\%$ for five months and $5\frac{1}{4}\%$ @ $5\frac{1}{2}\%$ for six months and longer maturities. Mercantile paper commands $5\frac{1}{2}\%$ for choice six months' names and 6% for bills not usually classed as choice. Sixty and ninety days endorsed bills receivable are nominally $5\frac{1}{2}\%$ minimum, but the offerings continue extremely light.

Sterling exchange has made further progress toward the gold-import point this week and the expectation in foreign banking circles here is that there will be a considerable inward movement of the precious metal in the near future. An engagement of \$750,000 in bullion was arranged on Monday last for shipment from London to New York and this was increased yesterday to \$1,100,000. This, however, was more or less of a special transaction and was, as we have explained elsewhere, connected with the placing of a considerable amount of New York City revenue bonds abroad. The metal was a part of the regular weekly offering of South African bars, and it is not considered improbable that New York will again be represented among the bidders at next week's offerings of Cape gold, especially as, if we are to believe usually well informed London correspondents, the Bank of England is inclined to resist sales of gold to New York until the Continental situation has been cleared by the full preparations by Berlin for the strain

that is expected at that centre at the close of the current quarter-year. It is in fact intimated that any pressure of New York at the moment at the Bank of England for actual gold would mean an advance in the Bank's discount rate to 5%. Therefore, it seems fair to assume that if New York bankers are desirous of obtaining supplies in the British center they must seek the metal outside the jurisdiction of the Bank. American finance bills are being purchased with entire freedom in London and are subject to no discrimination whatever, and day-to-day funds there are available at $1\frac{3}{4}@2\%$. In fact it is only in the discount market that the indication of firmness obtrudes. The French exchanges are somewhat irregular, the sterling demand rate in Paris as quoted by cable last evening being $25.28\frac{1}{4}$ francs, which is a decline of $\frac{1}{4}$ centime for the week. Demand sterling in Berlin was $\frac{1}{4}$ pfennig higher for the week at $20.45\frac{1}{2}$ marks.

Compared with Friday of last week, sterling exchange on Saturday advanced very sharply, a recovery of some 30 points from the previous close being noted; this was mainly due to expectations of a favorable bank statement here; the range was $4\ 8580@4\ 8585$ for demand, $4\ 8630@4\ 8635$ for cable transfers and $4\ 8255@4\ 8265$ for sixty days. Sterling rates eased off again on Monday, on a resumption of the firmness in call money, though before the close there was a slight rally on covering of shorts; demand was quoted at $4\ 8570@4\ 8580$, cable transfers at $4\ 8620@4\ 8630$ and sixty days at $4\ 8240@4\ 8250$. On Tuesday, after opening firm, weakness again set in and demand declined to $4\ 8565@4\ 8575$ and cable transfers to $4\ 8615@4\ 8625$; sixty days, however, advanced to $4\ 8250@4\ 8260$. There was a further decline on Wednesday, when demand fell to $4\ 8555$ and cable transfers to $4\ 86$; later the undertone became firmer and closed at $4\ 8560@4\ 8565$ for demand, $4\ 8605@4\ 8610$ for cable transfers and $4\ 8230@4\ 8240$ for sixty days. The continued high rates for money here, together with bearish speculative operations, brought about another break in sterling on Thursday and demand declined to $4\ 8545@4\ 8555$, cable transfers to $4\ 8595@4\ 8605$ and sixty days to $4\ 8220@4\ 8230$. On Friday there was an exceedingly dull market with unimportant fluctuations in rates. Closing quotations were $4\ 8220@4\ 8230$ for sixty days, $4\ 8545@4\ 8555$ for demand and $4\ 8590@4\ 86$ for cable transfers. Commercial on banks closed at $4\ 80\frac{5}{8}@4\ 82$ and documents for payment $4\ 81\frac{5}{8}@4\ 82\frac{1}{2}$. Cotton for payment ranged from $4\ 81\frac{1}{2}$ to $4\ 81\frac{3}{4}$; grain for payment $4\ 82\frac{1}{4}$ to $4\ 82\frac{1}{2}$.

The New York Clearing-House banks, in their operations with interior banking institutions, have gained \$4,668,000 net in cash as a result of the currency movements for the week ending Sept. 20. Their receipts from the interior have aggregated \$11,350,000, while the shipments have reached \$6,682,000. Adding the Sub-Treasury operations, which occasioned a loss of \$5,800,000, the combined result of the flow of money into and out of the New York banks for the week appears to have been a loss of \$1,132,000, as follows:

Week ending Sept. 20 1912.	Into Banks.	Out of Banks.	Net Change in Bank Holdings.
Banks' interior movement.....	\$11,350,000	\$6,682,000	Gain \$4,668,000
Sub-Treasury operations.....	20,100,000	25,900,000	Loss 5,800,000
Total	\$31,450,000	\$32,582,000	Loss \$1,132,000

The following table indicates the amount of bullion in the principal European banks.

Banks of	Sept. 19 1912.			Sept. 21 1911.		
	Gold.	Silver.	Total.	Gold.	Silver.	Total.
	£	£	£	£	£	£
England...	41,632,435	---	41,632,435	43,078,749	---	43,078,749
France...	131,195,520	30,766,360	161,961,880	124,919,440	32,932,800	157,852,240
Germany...	46,253,650	17,000,000	63,253,650	41,617,800	14,812,600	56,430,400
Russia a...	156,043,000	7,819,000	163,862,000	148,557,000	7,056,000	155,613,000
Aus.-Hunt...	51,786,000	11,272,000	63,058,000	55,664,000	12,124,000	67,788,000
Spain...	17,123,000	29,940,000	47,063,000	16,638,000	30,879,000	47,517,000
Italy d...	42,440,000	3,583,000	46,023,000	40,150,000	3,482,000	43,632,000
Nethl and...	12,194,000	683,900	12,877,900	11,853,000	1,527,500	13,380,500
Nat. Belg. c	7,775,333	3,887,667	11,663,000	7,305,333	3,652,667	10,958,000
Sweden...	5,414,000	---	5,414,000	4,741,000	---	4,741,000
Switzerl'd	7,031,000	---	7,031,000	6,588,000	---	6,588,000
Norway...	2,270,000	---	2,270,000	2,237,000	---	2,237,000
Total week	521,157,918	104,951,927	626,109,865	503,349,322	106,466,567	609,815,889
Prev. week	520,755,584	104,963,187	625,718,771	503,277,488	107,121,463	610,398,951

a The total of gold in the Bank of Russia includes the balance held abroad—that is, the amount held for Russian account in other Continental banks. The proportion so held, and consequently duplicated in the above statement, is about one-seventh of the total this year, against about one-eighth a year ago.

y The Austro-Hungarian Bank statement is now issued in Kronen and Heller instead of Gulden and Kreutzen. The reduction of the former currency to sterling Pounds was by considering the Gulden to have the value of 80 cents. As the Kronen has really no greater value than 20 cents, our cable correspondent in London, in order to reduce Kronen to Pounds, has altered the basis of conversion by dividing the amount of Kronen by 24 instead of 20.

d The division between gold and silver given in our table of coin and bullion in the Banks of Italy and Belgium is made from the best estimates we are able to obtain; it is not claimed to be accurate, as the banks make no distinction in their weekly returns, merely reporting the total gold and silver, but we believe the division we make is a close approximation.

THE BANKS AND THE POSTAL SAVINGS.

In all the recent discussion of the proceedings of the present Congress, one subject has been much neglected. The Postal Savings Bank law, enacted June 25 1910, has now been in operation considerably over two years. But information has been meagre as to its actual workings and, in particular, there has been little general knowledge as to what further step, if any, must be looked for in the next development of the undertaking. In a general way, it was known that the scope of the postal savings banks was being slowly expanded, but it was also known that nothing of very great financial importance had been accomplished. There was a vague general impression that a design for extending the system much further existed at Washington. But as to the particulars nothing seemed to be known. For this reason, the address of Mr. Theodore L. Weed, Director of the Postal Savings System, to the Savings Bank Section of the Bankers' Convention at Detroit last week was a matter of considerable interest. He was talking to experts, and he outlined his own ideas with a precision such as would be expected before such an audience.

First, as to what has been done. About 13,000 offices, Mr. Weed explained, have been established as postal savings branches, and additional offices are to be selected at the rate of 1,000 per month. In a little less than half of these depositories, receipts of the office are being deposited, under the law, in local banks; in the remaining offices, which are mostly located in places where no banks were available for the purpose, receipts have thus far been deposited with the receiving institutions for the other postal branches. At the opening of this present month the amount of \$23,200,000 stood to the credit of depositors, whose individual number was 270,000, making an average of about \$85 for each account. In addition to the above depository sum, \$1,314,144 had been converted by depositors, under the law, into United States postal savings bonds.

So much for what has actually been accomplished. Mr. Weed next proceeded to outline his own ideas. In general, his position was that the existing restriction on the deposits to be received from any one depositor was too rigid. As the law now stands, the amount of such deposits by one person is limited to \$100 a month and the total balance receivable from any one depositor must not exceed \$500. Mr. Weed had this to say regarding these restrictions:

"I believe that the next step taken in the development of the postal savings system in the United States should be the amendment of the present law, so as to do away with the limitation on deposits, with the proviso that no interest shall be paid on any sum greater than \$1,000. The proviso would remove all incentive for the transfer of accounts now deposited in banks, and would at the same time enable the system to receive large sums of money now hoarded by persons who will not avail themselves of the ordinary banking facilities, and to whom the question of interest is an unimportant consideration. If the law is modified in this manner I am convinced that when the system is fully established, many millions of dollars now in hiding will be added to the circulating medium of the country and become useful in the channels of trade.

"Instances of the inconvenience of patrons and loss to the postal savings system and to the banks from this unfortunate restriction might be multiplied indefinitely. The exact amount of deposits refused has not been recorded, but it is certain that the total amount aggregates millions. At Philadelphia, in the space of four months, during which a partial record was kept by the postmaster, \$25,000 was refused. Such occurrences are reported almost daily from every part of the United States, most frequently from rural and mining districts and from city stations located in foreign settlements."

It should be obvious to all people in the financial community, as it certainly was to the audience at Detroit, that certain questions of high interest will arise in relation to such a plan of enlarging indefinitely the scope of such deposits. In the first place, it will necessarily be asked whether such deposits, greatly increased, as Mr. Weed expects, by the practical removal of restrictions, could be re-deposited in banks by the postal savings institutions at a profit. It is manifestly through such re-deposits that the Government gets the interest which it pays to the postal depositors. The deposits on which this interest is paid are, according to law, to be "deposited in banks located in each city, town, village and other locality [substantially in proportion to the capital and surplus of each such bank] willing to receive such deposits under the terms of this Act and the regulations made by authority thereof; but the amount deposited at any one time shall not exceed the amount of paid-in capital and one-half the surplus of such bank." The word "bank" is held to include savings banks and trust companies doing a banking business.

To secure such re-deposits, the banks receiving the funds are required to deposit such public bonds or other securities as the Postal Savings Board of Trustees may prescribe and approve. At present these pledged securities are accepted at 75% of market value. Now the question at once arises whether, under the proposed great enlargement in the scope and amount of the postal savings deposits, facilities for re-deposit in the banks of the neighborhood will be anywhere nearly available in all parts of the country. To re-deposit on such terms as would secure the actual interest yield of $2\frac{1}{2}\%$ on such a sum as \$23,000,000 is one thing; but multiply that amount in proportion to the deposits expected under removal of existing restrictions, and it is easily possible that a very different situation will be created.

There is another question, even more serious. What would be the natural operation of these postal savings institutions at a time of serious financial panics? Such occasions have as their foremost characteristic a run by depositors in general on both

deposit banks and savings banks. The hoarding of money throughout the country during the panic of 1907 was estimated by Secretary Cortelyou at no less a sum than \$296,000,000. Now Mr. Weed believes that this would help to relieve the panic. He explains:

"In such cases, it is reasonable to assume that frightened owners of savings and other accounts will withdraw their money from banks and deposit it with the postal savings system, by which it will be at once re-deposited in the banks and made available for their use."

We do not feel so sure of this. Let it be observed, first, that the paragraph from the law (already cited) restricts in the ratio of capital and surplus the amount of postal savings deposits to be re-deposited in any one banking institution. Let it also be remembered that such banks are required to put up qualified securities against such re-deposits—something which might not be by any means a simple achievement under the stress of panic. Furthermore, it should be observed that the Eastern savings banks, in which, under the present law, the funds of the postal savings institutions could not be re-deposited, are usually, in a time of panic, the focus for the run of depositors. Not only would it be impossible to apply Mr. Weed's plan for re-deposit of cash in panic times with such institutions, but they are precisely the institutions whose depositors would be peculiarly incited to draw out their money for the purpose of re-depositing it with the postal savings.

In other words, while Mr. Weed's proposed plan would almost certainly make the Eastern savings bank situation worse, it would contain, so far as we can see, no machinery for correcting the damage done. And, after all, is Mr. Weed quite right in his view of what the hoarding of money during panic actually is? No one supposes that the bulk of the huge sums of cash which were hidden away in private safes and vaults in the crisis of 1907 represented mere withdrawals by savings bank depositors. On the contrary, the greater part of such withdrawals was currency taken out by large depositors in the deposit banks for use as pay-roll money—their feeling being that, in the light of previous experience with panics, they might be left without facilities for regular pay-day expenditure when the banks were compelled to shut down on free payment of cash to their depositors. Our own conclusion, therefore, would be that the postal savings directorate is somewhat hasty in its assumption that no danger could arise from an expedient of the sort and that it would not only operate safely in a panic time, but would actually relieve the panic.

The problem, it is necessary to point out, is not at all the same as in countries where no system of savings banks under other than government auspices exists. England itself would be confronted by much less serious problems in the case of indefinite enlargement in its postal savings regulations. The argument for the postal savings bank system in this country indeed, has primarily been for its use in providing with such facilities small communities which were equipped with savings banks under private auspices. In those communities it doubtless fills a useful purpose. Whether the same thing can be said for its application in the settled communities of the East and West is a very different question, and a plan for enlarging its scope indefinitely, even in the older communities of the East, is open to grave question.

INVESTMENTS AND THE PANAMA CANAL.

Owners of stocks and bonds of the great railway systems of the United States have been uncertain as to the effect upon their securities which will result from the opening of the Panama Canal. Not only must a readjustment of rates follow but a natural result will be the readjustment of routes which traffic will take from points upon one coast to those upon the other. Expert traffic men of the railroads when asked about the effect which the Canal will have upon rates and earnings of the railroads answer that they have no definite idea. The entire fabric of railroad rates is such a delicate texture, so easily affected by even remote influences, that no man can positively assert what may follow the opening of the wonderful new highway of commerce. However, so far as may reasonably be presumed, owners of railroad securities will have no need for worry. One influence is likely to so modify or nullify an opposing one that the ultimate effect may not be adverse to the interests of stockholders and bondholders of the established rail lines.

Construction of the Panama Railroad and later the building of the railroad across the Isthmus of Tehuantepec wrought an important change, as they afforded an innovation of a combined water and rail route. Upon completion of the first Pacific railroad in 1869 transcontinental shippers obtained a choice of three routes for traffic, an all-rail route across the continent, an all-water route around South America and a water and rail route via the isthmuses. This was followed by the creation of the Sunset-Gulf route, by which ships operating between New York and the ports of Galveston and New Orleans, in conjunction with the Southern Pacific Railroad, afforded still another water and rail route for transcontinental traffic. Trade has long been accustomed to these various routes and rates have become adjusted to the competition arising from the all-rail route, the all-water route and the combined rail and water routes.

The shortening of the all-water route by the opening of the Panama Canal about a year hence has been the cause of apprehension among investors in railroad securities. Professor Emory R. Johnson, of the University of Pennsylvania, has probably given more study to the effect which the new water way will have upon transportation than any other man. A summary of his conclusions may be found in Senate Document No. 875. Professor Johnson shows that the total eastbound transcontinental traffic coastwise and by all rail lines amounts to about 3,000,000 tons annually, of which the railroads carried in 1911 about 2,686,500 tons, the share of the water carriers in that year being 10½ per cent. The west-bound tonnage is about the same, but there is a difference as to the points of origin. While the east-bound traffic comes from points at or near the Pacific coast, the west-bound traffic originates in a zone that extends far inland from the Atlantic coast. By reason of the low cost of transporting commodities from New York to ports on the Gulf of Mexico by water, much freight may be taken at points as far west as Buffalo and Pittsburgh, shipped by rail to New York and thence by the Sunset-Gulf route to San Francisco and other Pacific coast cities in competition with the all-rail route. On some commodities it is even possible for the Southern Pacific to make a rate from Chicago, via New York and New Orleans, to the Pacific coast which will divert traffic from railroads leading westward from Chicago.

As the all-water route will be even cheaper than the Sunset-Gulf route it may be expected that shipments from a greater inland zone and in larger quantities will be diverted to the Atlantic coast ports for shipment westward when the Panama Canal is opened. The effect ought also to be to enable the Canal route to deliver east-bound traffic to points far inland from the Atlantic coast. The result of this ought to be to increase the traffic and profits of the trunk lines.

The Central West, which is becoming more and more a manufacturing section, will strive to get its products to the Pacific coast by an all-rail route in competition with the factories of New England and the Atlantic coast States. Western railroads, including the Pacific lines, will be inclined to encourage such shipments from the Central West and will be apt to name rates to foster the business. Traffic on the north and south lines leading to the Gulf ought to be stimulated by the opening of the Canal.

Owners of vessels operating in the coast-to-coast trade will naturally be inclined to obtain as great a profit as possible and consequently it may be reasonably expected that they will not take cargoes at rates much below those named by the all-rail carriers. An important factor which will help to sustain the traffic of the railroads will be the steady growth of population of the entire country and the growth of industries of the interior. What might be termed the interurban traffic will not be impaired in any way by the Canal. Coal, ore and grain, which constitute a large percentage of the traffic of some roads, should not be diverted from their present routes on account of the Canal. The readjustment will be a matter of years, and during its progress many mitigating circumstances will no doubt arise which will prevent serious injury to investors interested in the railways of this country.

THE CHICAGO & NORTH WESTERN REPORT.

If any one has any doubt as to the unfortunate plight in which the railroad-carrying interest finds itself as a result of the many unfavorable conditions and surroundings, the development of the last few years, he should study the annual report of the Chicago & North Western Railway Co.—should compare the results for the latest year not alone with those for the twelve months immediately preceding, but also with those for some years further back. The North West is one of the largest and the most important of the Western railway systems. It is now and has always been one of the best managed railroad properties in the country. It has had, too, a record of enviable prosperity. The policy pursued in the management of the property has been such as to command general approval, as being *advantageous* alike in the interest of the proprietors and of the general public consisting of those vast communities which a railroad is built to serve and upon whose welfare and prosperity it is dependent for its sustenance. In the development of the system a conservative and yet progressive course has been pursued. There has been no reckless expansion; nevertheless the system has been steadily extended through the judicious construction of branches and feeders and the building of lines into new territory.

Enormous amounts of capital have been expended from time to time in accordance with the wise standards here outlined. Until within the last few years these new capital outlays were handsomely rewarded, but now a period has been reached where the outcome

of such ventures is, to say the least, discouraging. The new capital expenditures add to the volume of business and increase the total of the gross revenues, but the net results are disappointing. In other words, the aggregate net income of the system tends downward notwithstanding the growing volume of traffic. It follows that the new outlays are no longer productive in the sense of yielding better net and furnishing an adequate return on the increased capitalization—for obviously new capital outlays mean either an added amount of bonds or of stock, and frequently of both, on which a profit must be earned if there is to be inducement for continuing the work in the future.

Judged by the experience of the Chicago & North Western—and its experience has been no different from that of other railroad systems in the United States—this inducement to invest new capital with the hope of a profitable return no longer exists. Expenses (by reason of higher wages and the higher cost of operating generally) are increasing faster than the growth in traffic and in gross revenues. In addition, Government is enacting constantly augmenting toll in the shape of taxes.

In the year under review gross revenues fell off \$1,219,594, owing to the inactivity of general trade and an unsatisfactory crop yield. The loss was entirely in the freight department; the passenger revenue continued to expand. But this falling off of \$1,219,594 in gross revenues could be met with a reduction in expenses of only \$310,867 and coincidentally taxes increased \$306,804. Hence, in expenses and taxes combined there was a saving in the insignificant sum of \$4,063. It follows that the loss in gross revenues counted almost to its full extent as a loss in net.

The inability to contract expenses becomes the more noteworthy when it is found that the maintenance outlays were actually considerably reduced. The company spent \$262,657 more for maintenance of equipment but \$633,510 less for maintenance of way and structures. The transportation expenses on the other hand, ran up notwithstanding the smaller volume of business done. It appears that total operating expenses included no less than \$30,350,692 paid for labor and that this was an increase of \$331,734 over the year preceding. Proceeding a step further, it is found that the increase due to higher rates of compensation to the employees as compared with the year preceding amounted to no less than \$471,397, but that this was offset to the extent of \$139,663 because of decrease in time worked by employees. In the previous fiscal year the showing was much the same. In that period of twelve months there was a decrease of \$1,312,287 because of less time worked by employees, but on the other hand there was an increase of \$1,111,316 on account of higher rates of compensation paid the employees and a further increase of \$136,521 in the taxes.

Nor has the management relaxed its efforts to promote efficiency of operations; and such efforts have not been lacking in fruitfulness. We note, for example, that during the last two years the average train-load of revenue freight has been raised from 261 tons to 299 tons. This, it will be seen, is an addition of over 12%. In the same two years the earnings of the trains have increased from \$2 32 per mile run to \$2 71. This saving and promotion of efficiency in operation has, of course, been helpful, but it has not served to countervail the large and general increase in expenses.

If we carry our analysis two or three years further back we get a still better idea of how rising operating cost has cut into net income notwithstanding steady development of efficiency in operations. It is perhaps well to note that on the lines of the North Western system West of the Missouri River, conditions are not such as to admit of a high-train-load and that, therefore, success is dependent largely upon what is done East of the Missouri River. The present report for the first time gives the train-load on the Eastern and Western lines separately. On the Western lines the average lading of revenue freight was less than 137 tons but the average train-load East of the Missouri was 324 tons. Furthermore, while the increase in the late year in the lading of the trains on the Western lines was only 2.58%, on the Eastern lines it was 8.02%.

It should be understood that the late year's loss in net earnings follows a loss in previous years too. In 1910-1911 the changes were relatively slight, but it is significant that a gain then of \$742,501 in gross revenues was attended by an augmentation in expenses in amount of \$859,091, producing, consequently, a decrease of \$116,590 in net. In the year preceding the result was yet more disappointing as regards the net, for in face of a wonderful expansion in tonnage and in gross revenues, net earnings actually fell off; stated in brief, gross earnings moved up no less than \$8,197,213, but expenses rose in the still larger amount of \$8,962,379; consequently net earnings were reduced in the sum of \$765,166. If, now, we unite the results for the three years, we find that while for 1911-1912 the gross was \$73,698,591, against only \$65,978,471 three years before, in 1908-09, on the other hand the net was only \$20,996,748, against \$22,787,231 in 1908-09. This, too, is before deducting the taxes, which in the same three years rose from \$2,714,631 to \$3,422,838. In brief, then, while the gross is \$7,720,120 larger than three years ago, the net is \$1,790,483 less, besides which taxes have increased \$708,207, making the total diminution in net \$2,498,690. Could any more striking instance be furnished of the trying conditions under which railroad operations now have to be carried on, as a result of the rise in operating cost and the restrictions and regulations of Government control, both national and State—all causes beyond the control of the managers?

But the foregoing tells only half the story. We have already indicated that under the conservative and yet progressive policy pursued in the conduct of this property, the new capital expenditures each year reach large proportions, even when outlays are rigidly restricted. In the year under review \$15,000,000 of bonded indebtedness was assumed in connection with the building and acquisition of the Milwaukee Sparta & North Western Ry. In the previous fiscal year the company put out \$22,500,000 of its 4% general mortgage bonds and in the year before \$30,502,800 of new stock was issued. This makes a total of new stock and bonds put out in the three years of \$68,002,800, and shows what has been done to develop the property so that it might be capable of meeting the needs of the communities which the system serves. But while this large extra amount has been invested in the property, the net income from its operation, as we have already seen, has been reduced, roughly, \$2,500,000. That is, while the addition to stock and debt called for larger net earnings, the amount of the net has actually been falling away in a notable degree. What has been said prepares us for the effect of this

situation on the company's income as related to its fixed charges and dividend requirements. The Chicago & North Western used to be able to show a large surplus above its dividend requirements, and the policy was pursued of devoting this surplus to improvements and betterments. As recently as 1905-06, only six years ago, the company made a specific appropriation of \$6,000,000 out of the year's earnings, and even then had left a balance on the operations of the twelve months, over dividend requirements, in amount of \$2,316,609. The dividend on the common stock is still the same, namely 7%, but for the year under review the surplus above the requirements for that purpose was no more than \$567,715, without taking anything out for betterments and improvements. Are we astray, therefore, when we say that, under the trying conditions now imposed upon the railroads, as reflected in the results here narrated, the inducement for entering upon new extensions and development work has been largely taken away?

Fortunately, traffic conditions for the immediate future are highly promising, and this should prove helpful in bridging over the time until public sentiment shall force the politicians to modify their attitude of hostility toward railroad interests. Minnesota and the two Dakotas have just raised a crop of spring wheat of exceptional proportions, and this insures a large traffic in grain for the new or current fiscal year. At the same time, general trade is active and the iron and steel industry is experiencing unexampled activity, which latter will afford a large ore traffic on the company's branches to the ore regions. This is a rare combination of favorable circumstances, and with the aid of the same the income showing for the current fiscal year ought to record decided improvement over the year under review.

In the interest of the general public it is highly desirable that the rail carriers should be allowed to earn each year a fair surplus above the amount required to meet their immediate needs for interest and dividends. Given such a surplus, some income can be employed each year in development and improvement work which otherwise would have to be raised through new capital outlays—either stock or bonds—with a resulting increase in fixed charges or dividend requirements. Some day the public will recognize this fact, and then the railroad carrying industry will enter upon a new era of prosperity

THE MILWAUKEE & ST. PAUL UNDER UNFAVORABLE CONDITIONS.

The Chicago Milwaukee & St. Paul Ry. Co. makes a poor showing in its annual report submitted the present week. But the event was looked for, having been clearly foreshadowed by the monthly statements issued during the course of the year. Everyone having been prepared for just such a result, it has created no surprise whatever.

The company reduced the semi-annual dividend on its common stock last January to 2½% from the previous 3½%, thus placing these shares on a 5% dividend basis, and the annual report shows that during the twelve months ending June 30 1912 the company fell far short of earning even 5% on the stock. As a matter of fact, the amount of income available for dividends on the operations of the year was only \$9,930,446, whereas the 7% dividend on the preferred stock took \$8,115,232, leaving, therefore, for the com-

mon shares but \$1,815,114, which is equivalent to only about 1½% on the \$116,348,200 of common shares outstanding.

The company made tremendous new capital outlays in building its Puget Sound extension, and the unfavorable character of its income exhibit is commonly referred to that circumstance. It is true that in the year under review the company was unable to collect any dividend on its stock holdings in the Puget Sound Company, whereas its income from that source the previous year reached \$5,000,000 and that would appear to bear out the view expressed. In reality, however, the causes of its misfortunes lie much deeper than this. As a matter of fact, the Puget Sound line may be said to be doing remarkably well. The late year is only the third year of its operation and yet it earned \$16,132,612 gross and \$6,620,584 net, not counting income from outside sources. This is at the rate of \$7,836 gross per mile of road operated and \$3,215 per mile net. For a line 2,000 miles in length this is surprisingly good so soon after its opening and we do not think a parallel to it can be found in the case of any other new undertaking of large dimensions. The reason for the relatively good exhibit is found in the circumstance that this Puget Sound extension does not, to any great extent, pass through territory which had previously been wholly unopened, but in its course touches old and large established trade centres built up through railroad facilities furnished by the older transcontinental lines.

Nor can it be maintained that the Chicago Milwaukee & St. Paul is not getting a direct return on its investment in the Puget Sound Line even though no dividend was received in 1911-12 on its holdings of stock in that line. The actual money investment in the Puget Sound property is represented by the Puget Sound bonds, of which the Milwaukee & St. Paul Company received \$155,000,000 (and only about \$26,000,000 have been sold) in return for advances in that sum and by other obligations received for further advances. On all this bonded and other indebtedness the Puget Sound line is paying interest (which as received goes to swell the Milwaukee & St. Paul's income from investments) and this interest, too, is being earned by the Puget Sound Company. In the year under review the Puget Sound line had interest and other charges to meet in amount of no less than \$7,007,191 and the company's income for the twelve months was sufficient to take care of the whole of this except \$151,537.

It will be seen, therefore, that we are right in saying that the causes of the Milwaukee & St. Paul company's present condition lie deeper than anything connected with, or growing out of, the building of its Pacific Coast extension. In the main these causes are the same as those that have modified so greatly the former extraordinarily favorable income showing of the Chicago & North Western Ry., whose annual report we have reviewed in the previous article. In other words the trying conditions experienced by the North West Company have fallen also to the lot of the Milwaukee & St. Paul Company. This means that repeated advances in wages and the higher price of nearly everything else entering into the operating accounts of a railroad, together with the inability to get increased rates for the transportation service rendered as operating cost advanced, has brought the Milwaukee & St. Paul Company to its present pass.

As indicating the part played by these influences, we would direct attention to the fact that, though in the year under review the gross earnings of the Milwaukee & St. Paul decreased \$1,853,252, expenses actually increased \$689,438, thus producing a loss in net revenue of \$2,542,690, which loss was further increased to \$2,748,700 through an augmentation of \$206,010 in taxes. In the year preceding, the showing was of like character. In that period of twelve months gross earnings improved slightly, the increase being \$129,101, but there was an augmentation in expenses in amount of no less than \$2,262,721, thus causing a loss in net of \$2,133,620, which was further raised to \$2,278,899 by an addition to taxes of \$133,327. The rise in operating cost, however, had its beginning still further back, for we find that in 1909-1910, though gross increased in the large sum of \$4,949,431, net earnings were actually reduced in amount of \$1,110,328, owing to an addition to expenses in the sum of \$6,059,759. By combining the three years, therefore, it is found that while gross earnings increased from \$59,897,463 to \$63,122,743, the net—owing to the rise in operating expenses from 64.66% to 75.64%—fell away from \$21,166,225 to \$15,379,587.

In other words, in the three years there has been a shrinkage in net from circumstances entirely beyond the control of the managers of, roughly, 30%, and this has occurred notwithstanding operating efficiency has been increased, so that with the same rate per ton per mile the freight trains earned \$2.41 per mile run in 1911-1912 against only \$2.31 in 1910-11. On the larger volume of business, had the company simply been able to maintain the level of the net prevailing three years ago (without increasing the same at all), the total of the net for the late year would have been \$5,786,638 above the amount actually earned, a sum equal to almost 5% on the outstanding amount of common stock. In that event, instead of only \$1,815,114 remaining for the common shares on the operations of the twelve months, the amount would have been \$7,601,752, a sum equal to about 6½% on the common stock outstanding. Accordingly the Milwaukee & St. Paul Company's predicament must be ascribed to the rise in operating cost rather than the building of the Pacific Coast extension.

In the year under review, however, there was one further drawback, namely a crop shortage. This is referred to in the report, which says that the crop failure of 1911 in Western Minnesota, South Dakota and Southern North Dakota was the most complete that ever occurred in these States. This unprecedented crop shortage, it is stated, affected the territory tributary to about 24% of the total miles operated and was largely the cause of the decrease in freight revenue. As a result of the grain-crop shortage there was a diminution in the total number of tons of grain transported of 762,193 tons.

The present season's crops, however, will most certainly be a great improvement on those of last years. President A. J. Earling asserts that the 1912 crop of small grains in the territory tributary to the company's lines are excellent and the yield will be considerably above the average. He also notes that there has been a general revival of business. He hence gives it as his opinion that there will be a substantial increase in the earnings of the current fiscal year. There is obviously full warrant for such a forecast and the improvement in results will help the Milwaukee & St. Paul Company out of its

present troubles. Evidently, in preparation for the larger volume of business expected, orders for 171 locomotives and for 3,644 new cars of various descriptions have been given.

BANKING, FINANCIAL AND LEGISLATIVE NEWS.

—The public sales of bank stocks this week aggregate 523 shares, of which 510 shares were sold at the Stock Exchange and 13 shares at auction. All but 10 shares of the total represent transactions in National Bank of Commerce and National City Bank stocks. A lot of 10 shares of Corn Exchange Bank stock was sold at 325—an advance of 15 points over the price paid in March when the last previous sale was made. No trust company stocks were sold.

Shares.	BANKS—New York.	Low.	High.	Close.	Last previous sale.
a	128 City Bank, National.....	430	444 ¼	440	Aug. 1912— 435
*	385 Commerce, Nat. Bank of.	203 ½	207 ½	206	Sept. 1912— 203 ½
*	10 Corn Exchange Bank.....	325	325	325	Mar. 1912— 310

*Sold at the Stock Exchange. a Of this amount, 115 shares were sold at the Stock Exchange. x Ex-dividend.

—The first meeting of the Board of Governors of the Investment Bankers' Association was held at the Union League Club, Chicago, yesterday. Twenty-two members of the board were present. Two hundred and twenty firms were regularly admitted to membership in the organization at the meeting. A list of the members will be published when the charter membership has been filled. It was decided to hold the first annual convention of the association in New York later in the year. The date and details of this convention will be arranged by a committee to be appointed by President Caldwell.

—To-day the readers of the "Chronicle" will receive a copy of the "American Bankers' Convention Section"—our usual supplement which is devoted to a full report of the deliberations of the annual convention of the American Bankers' Association, held at Detroit, Mich., last week. This year's number is printed throughout in a soft Milori green ink and is bound with a French-gray cover. Besides the entire proceedings and addresses delivered before the main convention, we also report the work of the Trust Company Section and the Savings Bank Section.

—The officials elected at Detroit last week by the American Bankers' Association to serve for the ensuing year were Charles H. Huttig, President of the Third National Bank of St. Louis, President; Arthur Reynolds, President of the Des Moines National Bank, Des Moines, Iowa, Vice-President; Thomas J. Davis, Cashier of the First National Bank of Cincinnati, Chairman of the Executive Council and J. Fletcher Farrell, Vice-President of the Fort Dearborn National Bank, Chicago, Treasurer (re-elected). Colonel Fred. E. Farnsworth was re-elected General-Secretary and Thomas B. Paton, General Counsel.

The following were elected Chairmen of the various sections: Trust Company Section: Ralph W. Cutler, President Hartford Trust Co., Hartford, Conn.; Savings Bank Section: William E. Knox, Comptroller Bowery Savings Bank, New York City; Clearing House Section: A. O. Wilson, Vice-President State National Bank, St. Louis; American Institute of Banking Section: F. A. Crandall, Vice-President National City Bank, Chicago, and State Secretaries' Section: W. C. MacFadden, Vice-President Commercial Bank, Fargo, N. D.

Among those elected on the Executive Committee of the Trust Company Section was John W. Platten, President of the United States Mortgage & Trust Co. of this city.

Upon the election of Mr. Huttig to the presidency of the Bankers' Association, he was tendered a cordial reception by his many friends, who were glad to see that he had so far recovered his health as to be able to assume the duties of the high office. Mr. Huttig was the recipient of a very handsome loving-cup and several beautiful floral tokens.

—Speaking before the Rochester Chapter of the American Institute of Banking on Thursday evening on "Banking Reform from the Standpoint of a Depositor," Elliott C. McDougall, President of the Bank of Buffalo, said:

A mistaken impression appears to have gone abroad concerning the action of the American Bankers' Association at its recent convention in Detroit. The Association did not drop the work of banking and currency reform. It, then and there, pledged itself to help any effort to pass any proper bill. If a better bill than the "Aldrich Bill" be brought forward, the American Bankers' Association will give it active support. The report of its committee did say: "It is idle to hope for general legislation of such an important character in a short session of Congress"; and the judgment of the committee, on this point, is sound. Even educational work should be suspended until after the Presidential election, as no good, and possibly positive harm, may be done by the discussion of such a subject during the heat of a political campaign. As soon as that campaign is over, the campaign of education should be resumed that, when the time comes for Con-

gress to vote upon this question, it may vote upon it intelligently. There can be no reasonable doubt that, when the people of the United States of America have sufficiently studied this question, a good bill will be passed.

So far as the New York State Bankers' Association is concerned, I see not the slightest evidence that it intends to abandon its work on behalf of currency and banking reform. Its committee on Currency Reform, backed by the united sentiment of the Association, will resume active educational work as soon as the Presidential campaign is over.

—Despite the failure of Congress to act on President Taft's recommendation for a National budget, and the provision in the Legislative Bill prohibiting the submission of departmental expenses in any other form than is now required by law, Mr. Taft has ordered the preparation of estimates of appropriation for the expenses of the various departments of the Government in conformity with the budget plan. The right to exercise his authority in this respect is the basis of a letter to Secretary of the Treasury MacVeagh, made public yesterday, in which the President says:

If the President is to assume responsibility for either the manner in which business of the Government is transacted or results obtained, it is evident that he cannot be limited by Congress to such information as that branch may think sufficient for his purposes. In my opinion, it is entirely competent for the President to submit to Congress and to the country a statement of resources, obligations, revenues, expenditures and estimates in the form he deems advisable. And this power I propose to exercise.

The United States is the only great country that does not have a budget. Each year the Congress has been making increasingly large appropriations, based on estimates which are submitted by officers acting in the capacity of ministerial agents to Congress, under a law which makes no provisions whatever for executive review and revision. This I have sought in a measure to correct by asking the heads of departments to send estimates to me before they were printed. But the conditions attached by Congress have been such as to make executive review impossible.

The present legal directions as to estimates are based on the theory that there is no need to take stock before passing on appropriations; that it is not necessary to consider revenues or Treasury resources. Congress has directed each executive officer to submit an estimate through the Secretary of the Treasury, who is made to serve in the capacity of an official messenger, without any discretion whatever unless a department head may fail to prepare a request for appropriations in the form prescribed by Congress, in which event the Secretary of the Treasury has imposed upon him the duty to submit an estimate for him.

Congress has created certain committees on appropriations who alone have power to review and revise requests of department heads. Even in its own organization, however, Congress has failed to make provision for considering expenditures and estimates for appropriations in relation to revenues.

Authority is granted for the expenditure of a thousand million dollars each year without any thought as to where the money is coming from. This is done on the theory that there will be no deficit—Congress has been doing what has been called "surplus financing."

While the Constitution makes Congress responsible for money-raising as well as for appropriations, responsibility for borrowing has been shifted to the President, by empowering him to procure loans to meet deficits in case a deficit may result.

The great question of national expediency which is raised by the action of Congress above referred to is:

Shall we or shall we not have a national budget? I do not question the Constitutional right of Congress to prescribe the manner in which reports of expenditures and estimates shall be submitted to it by department officers. I do question the practical wisdom of continuing to operate the Government under 90 different statutes, passed at 90 different times, which prescribe 200 different forms of preparing and submitting financial data to Congress and the public—data which, when prepared, have no element of uniformity or standard and cannot be used to present to officers or to the people an accurate picture of activities pertaining to any one subject of the Government as a whole.

Although by such cursory review as could be given, I have succeeded each year in reducing initial estimates millions of dollars, it is not just to make the President in any but a slight degree responsible for such estimates when required to be submitted to Congress in the manner at present prescribed.

I have gone thus at length in stating my position in order that you may understand the reasons for urging that you co-operate with the Commission on Economy and Efficiency in the preparation of such financial statements and summaries as will enable me to place before Congress and the country for the first time in our history a clearly stated and understandable businesslike proposal which will enable Congress and the country to think in terms of what it is that the Government is doing, what it is that the Administration proposes to do. With this accomplished, the people may judge for themselves whether the proposals sent to Congress are in the interest of public welfare and as such should be supported.

The further recommendation which I have made is this, that in the preparation of data for the budget you and the head of every other department shall clearly indicate what changes in law are thought to be desirable as a means of increasing the economy and efficiency of the service. What is desired is open-handed dealing between the Congress and the executive departments, and in this the public should be taken into confidence through the broadest publicity that may ensue.

Under the Constitution the President is entrusted with the executive power, and is responsible for the acts of heads of departments, and their subordinates as his agents, and he can use them to assist him in his Constitutional duties, one of which is to recommend measures to Congress, and to advise it as to the existing conditions and their betterment.

If Congress is permitted to assume exclusive jurisdiction over what the President may seek to learn about the business transacted by the departments; if Congress is to say that the President shall not find out what is the present manner of doing business, what results are being obtained, what it is that officers for which he is responsible propose to do, and what amounts are being asked for future expenditure; if heads of departments are to be considered purely as the ministerial agents of Congress in the preparation and submission of estimates, then as far as the business of the Government is concerned, the President of the United States is shorn of most important executive power and duty.

—Under further plans which Comptroller of the Currency Lawrence O. Murray purposes to adopt in his effort to make bank examinations as effective as they can be made under the present law, he announces that his examiners will be called upon to hereafter inquire into the concentra-

tion of the funds of a bank in companies controlled by the banks' officers and directors. On this point the Comptroller says:

The examiner has hardly any other way of obtaining information relative to the standing of the concerns in which the officers and directors of the banks are interested, except from the mere statement of the officers that the loans are good and the companies are in good financial standing. The Comptroller will insist that the books of the said corporations, firms or concerns be open to the examiner so that he may be able to get such information as will enable him to determine whether or not the concerns are money-making ventures.

If the officers and directors unduly concentrate the funds of a bank in their own ventures, the Comptroller feels that, in view of the fact that he is charged with the duty of protecting its depositors, he is entitled to know whether the concerns in which the funds of a bank are invested are paying or losing ventures.

This requirement is to be observed beginning October 1; when the examiners will also be asked to comply with the following regulations in addition to what they are already doing in their examination work:

In all country banks the board of directors is to be convened and the examination of the assets by the examiner is to be made in their presence and with their help and co-operation.

The Comptroller found some time ago that there were upward of 1,000 banks throughout the country in which the majority of the board of directors were not local men. The objection has generally been made that when the examiner asked for a board meeting the directors could not be convened readily because they did not live in or near the town in which the bank was located. A letter was addressed to all these banks by the Comptroller asking that at least a majority of the board be able to meet with the examiner whenever he requested it, and if the board was not so constituted that it should be reorganized so that a majority of the directors could at all times be readily available.

Heretofore the matter of the examiner meeting with the board of directors has been left to the discretion of the examiner, but now the Comptroller wishes to have the examiner convene the board of directors in every bank examined.

If an examiner finds any matters subject to criticism, the directors are entitled to know of it promptly and enter into an agreement with the Comptroller through the examiner for prompt correction of any violations found. This can only be done by a meeting of the board of directors with the examiner.

Another and as equally important a reason for convening the board of directors of country banks at each examination is that the Comptroller has asked the examining committee of the board of directors to make a comprehensive examination of the bank and to file a copy of the same with the Comptroller. Many banks have boards of directors who are not sufficiently well informed in the methods to be pursued in making such an examination and the Comptroller will ask all his examiners to go over the plan of examination which he has outlined with the directors of each bank and explain to the board just how this examination should be made and what points should be especially covered and reported to the Comptroller of the Currency.

This will be an additional burden on the examiners, but the Comptroller feels that the good resulting from this method is such as to outweigh any arguments against the extra work which will be caused the examiners.

The Comptroller has arranged to meet here to-day (Saturday) the examiners located in and near New York City for the discussion of several matters pertinent to the examination of banks.

—In a communication to the New York "Times," ex-Senator Charles A. Towne of Minneapolis takes issue with Edward L. Andrews in his views respecting the legality of the inquiry by Congress into the "money trust." In his argument, which was quoted at some length in these columns Sept. 7, Mr. Andrews expressed the opinion that, from the standpoint of legality, the inquiry could justify itself only as the basis of future enactments. "If it seeks to traverse business territory which cannot, or should not, afford a province for legislation," he said, "the pursuit of this investigation has no legal or moral justification." In answer to Mr. Andrews, Mr. Towne says:

To the Editor of The New York Times:

Will you allow me space for a few words of comment on the opinion of Mr. Edward L. Andrews, holding illegal the proposed investigation of the Pujo Committee into the operations of the "Money Trust." It is undoubtedly an ingenious performance, and presumably has given considerable temporary consolation to his fearsome clients. I can imagine, however, how congenially the astute Mr. Untermeyer would apply himself to its refutation.

The investigation, says Mr. Andrews, "can justify itself only as the basis of future enactments." Obviously, therefore, if it be shown that the facts to be elicited by the Committee's inquiry are pertinent to subject-matter upon which it is within the Constitutional competency of Congress to base "future enactments," the contention of illegality must fall.

Mr. Andrews has gone too far afield. Two of the grants made to Congress by the Constitution seem to me to give the amplest warrant imaginable to the Committee's program. They are found, of course, in the famous Section 8 of Article I, and are as follows:

"The Congress shall have power . . . to regulate commerce with foreign nations and among the several States, and with the Indian tribes; . . . to coin money, regulate the value thereof, and of foreign coin, . . ."

Under each of these grants it is perfectly clear that Congress may legislate on the methods and instrumentalities of inter-State credit. In *Mobile vs. Kimball*, 102 U. S., 702, the Supreme Court defined commerce as embracing "intercourse and traffic, including in these terms navigation and the transportation and transit of persons and property, as well as the purchase, sale and exchange of commodities." In the *Knight* case (156 U. S., 13) the same Court said: "Contracts to buy, sell or exchange goods to be transported among the several States . . . may be regulated . . . because they form part of inter-State trade or commerce."

It is a commonplace that credit plays altogether the most important role in commercial transactions. When it is recalled that under the general grant contained in Section 8 above cited, of power "to make all laws which

shall be necessary and proper for carrying into execution the foregoing powers," the Supreme Court of the United States has found warrant for the action of Congress in establishing a national bank (held "necessary and proper" to carry out the provisions, "to lay and collect taxes," "to borrow money," to "regulate commerce," "to declare and conduct war," and "to raise and support armies and navies," *McCulloch vs. Maryland*, 4 Wheat., 316), in issuing a paper currency (held incidental to the powers "to borrow money" and "to coin money," in the *Legal Tender* cases), and in taking the notes of State banks (*Bank vs. Fenno*, 8 Wall., 533), how can it be doubted that the fullest regulation of the great agencies and conditions of inter-State credit must be held to be within the Constitutional powers of Congress?

But it is equally evident that Congress has jurisdiction over this subject under the grant "to regulate the value" of the money it coins, and of foreign coins. The total volume of price-determining material includes not only coined money but all kinds of representative and credit money that actually perform the function of purchasing commodities and paying debts. The purchasing power of a dollar varies not only with the number of real dollars in circulation but also with the extent and condition of credit; and the rates of interest in large commercial transactions depend in great measure on the methods that control the granting of credits.

In discharging its duty to regulate the value of the coined money of the country, then Congress not only may, but ought to, give careful consideration to all the phenomena of inter-State credit. If, in the performance of this high duty, that body regards as necessary an investigation by one of its committees into the credit-controlling institutions of the great cities of the United States, there can be little doubt that any legal challenge to that course would find the courts governed by the doctrine thus quoted in *Julliard vs. Greenman* (110 U. S., 421) from *McCulloch vs. Maryland*: "Where the law is not prohibited, and is really calculated to effect any one of the objects intrusted to the Government, to undertake here to inquire into the degree of its necessity would be to pass the line which circumscribes the Judicial Department, and to tread on legislative ground."

CHARLES A. TOWNE.

New York, Sept. 1 1912.

—The Oklahoma State Banking Board levied an assessment of one-half of 1% against the capital of the Oklahoma State banks on the 14th inst. The assessment, it is stated, will raise about \$150,000, and is levied for the purpose of taking up State warrants held by the Wilkin-Hale State Bank of Oklahoma City, and to provide for emergencies caused by the failure on Sept. 10 of the Merchants' & Planters' Bank of Sapulpa, Okla. With regard to the warrants held by the Wilkin-Hale State Bank, which succeeded the Night & Day Bank in 1911, the "Oklahoman" says:

The Wilkin-Hale Bank took over about \$200,000 in warrants against the bank-guaranty fund from the assets of the Night & Day Bank. Suit was brought against the banking board last spring to recover on these warrants, officers of the Wilkin-Hale Bank alleging that the board was paying other claims which originated after theirs were filed. The case reached the Supreme Court on appeal but was dismissed after the board had agreed to take up the warrants within a specified time. About \$40,000 in warrants have been taken up but there is not sufficient money in the guaranty fund at present to take up more.

—Secretary Fenton of the Investment Bankers' Association, has leased space in the Harris Trust Building, Chicago, for permanent headquarters of the organization.

—George B. Caldwell, Vice-President of the Continental & Commercial Trust & Savings Bank, of Chicago, entertained at luncheon at the Union League Club Wednesday afternoon many of the leading investment bankers of that city in honor of R. H. Newell, Chief of the Government Reclamation Service, who spoke of the work the Government is doing in reclaiming the arid lands of the West. Mr. Newell outlined what had been done during the past twenty-five years that he has been active in the service. He told of the importance of competent engineers, gave the reasons for the many failures of private capital in irrigation projects because of lack of proper engineering and lack of knowledge of actual overhead charges in connection with such enterprises and because of the ignorance of the laws in connection with water rights in many Western States. Mr. Newell stated that there are to-day but few successful irrigation projects in existence under the management of private capital, but thought that with the help of the Government and its vast accumulation of reliable information, private capital could be made to pay well.

—As soon as the details can be arranged, an auction of securities will be held in the office of F. J. Lisman & Co., Chicago, probably at 10:30 on each Tuesday morning. The lists of offerings will be advertised, it is expected, in the local papers. Responsible persons having securities they wish offered may submit them, giving Lisman & Co. the order firm through the auction, and in the event of execution of the order, the commissions charged for transactions on the Chicago Stock Exchange will apply. In the event of non-execution, or in the event of securities being offered but limited as to price, an advertising charge of \$2 for each offering will be made. This department is established to furnish a public market for many inactive and unlisted bonds, bank stocks, manufacturing stocks, and any current securities that either are not listed or else are not active on the Stock Exchanges. The auctioneers will assume no responsibility as to the quality of the securities offered or the prices at which they are sold, they acting in the capacity of auc-

tioneers only and using their best efforts to get the best possible price for what they have to offer.

—The Mechanics' & Metals' National Bank of this city has sold its premises at 29-33 Wall St. to J. P. Morgan & Co., to round out a larger plot on the corner of Wall and Broad streets for the ultimate erection, it is understood, of a large building by the Morgan house. The combined plot has a frontage of 158 feet on Wall Street and 113 feet on Broad Street, the assessed land value of which is \$3,870,000. Henry P. Davison, a member of the firm of J. P. Morgan & Co., made the following statement on Thursday with regard to the latest acquisition:

We have purchased the buildings adjoining us, including Nos. 29, 31 and 33 Wall St. Eventually we will probably erect a new building on the site for our own exclusive use, although our plans have not fully been decided upon as yet. Just when the proposed new building will be erected has also not yet been decided upon. The report that J. P. Morgan & Co. have, or are bidding for, the Mills Building is absolutely incorrect. We have not bought nor are we negotiating for any other property in Wall or Broad streets.

Gates W. McGarrah, President of the Mechanics' & Metals' National Bank also confirmed the report of the sale; he added that while the management had not fully concluded its plans for the future, it did not intend to leave Wall Street.

—The deposits of the Farmers Loan & Trust Co. of New York, London and Paris, Edwin S. Marston, President, at the recent bank call for September 9 were \$126,385,719. The Farmers Loan & Trust Co. is the largest of all the trust companies in this country which do not owe their size to consolidation with other companies. On the same date its cash on hand and in bank was \$29,018,619, capital \$1,000,000, undivided profits, \$6,570,755 and aggregate resources \$134,911,475.

—Willard V. King, President of the Columbia-Knickerbocker Trust Co., of this city, has been elected a trustee of the New York Life Insurance Co.

—William Baxter, the New York agent for the Chartered Bank of India, Australia and China, 88 Wall Street, this city, has this week received cable advices from the London offices of the corporation that its directors have declared an interim dividend for the past year at the rate of 13% per annum, free of income tax.

—Walter P. Gardner retired on the 17th inst. as a member of the banking firm of Groesbeck & Co. of this city to accept a vice-presidency in the New Jersey Title Guarantee & Trust Co. of Jersey City—his native city. Thomas H. Tierney, who has occupied a confidential position with Groesbeck & Co. since its formation, has been admitted as a partner in the firm.

—The State Trust Co. at Plainfield, N. J., in less than two years reports deposits of more than \$500,000. This institution began business on Sept. 16 1910, and under the call of the Commissioner of Banking and Insurance as of Sept. 4, reports deposits of \$502,152 19. The capital is \$100,000, surplus and profits, \$49,832 41.

—Charles M. Eckert, Cashier of the National Ulster County Bank of Kingston, N. Y., died on the 3rd inst.

—S. B. French has been appointed to the new position of Assistant to the President of the Citizens' Trust Co. of Utica, N. Y. The addition of Mr. French to the official staff of this institution will, no doubt, be a valuable one, as he has had years of experience with the New York Telephone Co., with which he held responsible posts. He will be in charge of the trust company's credit department and will also assist in the work of furnishing high-grade securities to investors. The Citizens' Trust Company, under the able management of its President, William I. Taber, has increased its business over 300% in the last four years.

—The Chicopee National Bank of Springfield, Mass., is now occupying its magnificent new quarters at the corner of Elm and Main streets in that city. The main banking room is particularly handsome, the general design being Italian Renaissance. The marble used throughout was imported from Skyros, Greece, and this, together with the bronze and gilded pillars and the Tennessee marble floor, go to make up one of the handsomest bank rooms in New England. The Chicopee National Bank, of which Edward Pynchon is President, has the honor of being the oldest bank of discount in the city. It was established in 1836 and nationalized in 1865.

—Frederick H. Hahn, Sr., Secretary and Treasurer of the German-American Title & Trust Co. of Philadelphia, died on the 12th inst. Mr. Hahn was one of the organizers of the institution.

—The stockholders of the First National Bank of Pittsburgh will meet on Oct. 14 to vote on the proposition to in-

crease the capital of the institution from \$1,000,000 to \$2,000,000. The additional stock, 10,000 shares, will be issued at \$175 a share, netting a premium of \$750,000, which will be available for addition to the surplus fund. This latter now stands at \$1,000,000. The last change in capital occurred in 1902, when the amount was increased from \$750,000 to \$1,000,000.

—George C. Morrison, President of the Title Guarantee & Trust Company of Baltimore, committed suicide the past week at the Baltimore Athletic Club. Mr. Morrison, who was forty-three years of age, had been very prominent in financial and civic affairs. Besides having been President of the above-named company, he was Vice-President of the Baltimore Trust Co., and counsellor and director of the Maryland Jockey Club. The unjust criticism to which he was subjected for having assisted in obtaining a charter for a new race-track at Havre de Grace for the Jockey Club is attributed in a letter left by him as his reason for taking his life.

—Addison H. Hough, a special partner in the bond house of Otis & Co., has been elected a director of the National City Bank of Cleveland. It is reported that Mr. Hough, D. R. Hanna and Robert L. Ireland are at the head of a syndicate which has purchased a large block of stock in the bank. The institution has a capital of \$250,000 (2,500 shares), of which 857 shares are said to have been held by the family of the late President, John F. Whitelaw, who died last June. Since his death, T. W. Burnham, Vice-President, has been acting President.

—W. B. Hopkins has resigned as Chief Examiner in the Ohio State Banking Department to accept the position as Chief Examiner for the new Equitable Casualty & Bank Depositors' Guarantee Co. of Columbus.

—A first dividend of 70% was paid on the 4th inst. to the depositors of the Mechanics' Savings Bank of Toledo, which closed its doors on May 9. Its deposits amounted to about \$120,000.

—On next Wednesday and Thursday, Sept. 25 and 26, the 22d annual convention of the Illinois Bankers' Association will be held in Peoria, Ill. The deliberations will be divided into four parts—Education and Public Welfare, Finance and Banking, Agriculture, and Good Roads. Among the speakers will be Dr. George E. Vincent of the University of Minnesota; Dr. W. O. Thompson, President of the Ohio State University, and Charles A. Conant of New York. B. F. Harris of Champaign is President and R. L. Crampton of Chicago is Secretary of the Association.

—It was announced the past week that the La Salle Street National Bank of Chicago had purchased the Farwell Trust building at the southwest corner of Quincy and La Salle streets, at a price said to be \$500,000. The bank will locate in the new premises after they have been remodeled. It is also stated that the interests in the bank have undertaken the completion of the organization of the trust company which was incorporated at the time of the formation of the La Salle Street National Bank in 1910. The trust company will have the same amount of capital as the bank, viz.: \$1,000,000, and a surplus of \$250,000; the stock of the company will be held in trust for the stockholders of the bank.

—The consolidation of the Ashland State Bank of Chicago with the West Englewood State Bank was ratified by the stockholders of both institutions on the 12th inst.; the plan of merger was given in our issue of Aug. 24. The enlarged bank, which takes the name West Englewood-Ashland State Bank, will use the offices of the Ashland Bank as banking quarters, while the real estate department will be conducted in the present location of the West Englewood Bank. The officers of the consolidated institution will be John Bain, President; Michael Maisel, Vice-President, and Edward C. Barry, Cashier. The Ashland State Bank was formed on Dec. 3 1910 to take over the business of the Ashland Exchange & Savings Bank. Its President, Isaac N. Powell, retires with the consolidation.

—E. W. Decker, President of the Northwestern National Bank of Minneapolis, has just celebrated his twenty-fifth anniversary in the service of the bank. Mr. Decker started with the Northwestern as a messenger boy and has seen the institution develop from a bank with deposits of less than three million dollars to one of the largest in the Northwest, with deposits of thirty millions. He received many congratulatory messages from his host of friends and business associates.

—The new Commercial National Bank of Minneapolis, which has a capital of \$200,000 and a surplus of \$50,000, began business on the 16th inst. S. E. Forrest is President of the institution; he is associated with S. H. Bowman and S. J. Mealey as Vice-Presidents, and Guy C. Landis as Cashier.

—It is announced in the Memphis "Commercial Appeal" that the nineteen indictments returned against Abner Davis, former President of the Night & Day Bank of Oklahoma City, Okla., were dismissed on the 7th inst. The "Appeal" states that County Attorney Hooker requested that the indictments be dismissed because after Davis had been tried and convicted on one of the indictments, Judge Clark set aside the verdict on the ground that it did not conform to the testimony.

—On Tuesday last the National State and City Bank of Richmond, Va., opened for business in its enlarged and entirely remodeled quarters on East Main St. The counters are constructed of handsome inlaid Circassian walnut and heavy plate glass and are ranged on either side of the new banking room, the floor of which is laid with Italian marble. Modern new equipment and every facility for the proper transaction of the bank's growing needs has been added. One of the features is the massive new safety deposit vault of the very latest design and workmanship. The bank has a capital of \$1,000,000, surplus of \$600,000 and resources of \$7,000,000. William H. Palmer is President; John S. Ellett, Wm. M. Hill and J. W. Sinton, Vice-Presidents, and Julien H. Hill, Cashier.

—Savannah, Ga., is to have another massive "skyscraper," if the plans now proposed by the Savannah Trust Co. are carried to completion. The company owns a very prominent block in the city, having 60 feet frontage on both Bull and Whitaker streets by 180 feet in depth. The design submitted by the architects calls for a structure 18 stories in height, with a possible increase to 20 stories; which would make the building one of the largest in the entire South.

—The organization of the Macon National Bank of Macon, Ga., has been completed. The application to form the institution was approved in the spring. At a meeting of the stockholders on the 12th inst. the following officers were elected: Richard F. Lawton, President; Robert G. Jordan and Jesse B. Hart, Vice-Presidents; Richard E. Findlay, Cashier; Henry C. King and Ben S. Heard, Assistant Cashiers. The Board of Directors includes: Sam. Guthman, capitalist; R. F. Lawton, President of Lawton, Jordan & Co.; R. G. Jordan, President Bank of Talbotton, Ga., and of the Jordan Realty Co. of Macon; L. A. Sheppard, Secretary of the Georgia Life Insurance Co.; W. T. Anderson, General Manager of the Macon "Telegraph"; Eli Elkan, President Crescent Laundry; T. H. Halliburton, of Roughton-Halliburton Co.; J. W. Jordan, President Farmers' Supply Co. of Talbotton and Cashier of the Bank of Talbotton; Malcolm D. Jones, of the firm of Miller & Jones, attorneys; W. L. Mathers, Secretary and Treasurer of Central of Georgia Brick Co.; Jesse B. Hart of Jesse B. Hart & Bro.; and J. L. Jessup, President of J. L. Jessup Agency.

—The merger of the Sixth Ward Bank of Atlanta with the Travelers' Bank & Trust Co. of that city has been confirmed by the stockholders of the latter. The consolidation is effected under the name of the Travelers' Bank & Trust Co., which increases its capital from \$200,000 to \$300,000. Three new directors have been added to its board, namely, George C. Spence, Ivan Allen and M. C. King.

—J. C. Rogers, who has been connected with the municipal bond firm of G. G. Blymyer & Co., San Francisco, for a number of years, has been appointed manager of the new bond department to be installed by the Capital National Bank of Sacramento.

—D. J. Barker, chief accountant of the Bank of Montreal, has been appointed Assistant to the General Manager, H. V. Meredith. Mr. Barker has been connected with the bank for a number of years, previous to which he was an official of the Royal Trust Co.

FALL RIVER MILL DIVIDENDS FOR NINE MONTHS OF 1912.

Thirty cotton-manufacturing corporations located in Fall River which furnish reports of operations have declared dividends during the third quarter of the year. The total amount paid out is slightly less than for the corresponding periods a year ago. The aggregate of the amount distributed has been \$308,116, or an average of 1.11% on the capital. Six mills passed their dividends, five declared at a smaller rate than in 1911 and the remainder maintained last year's percentage. In 1911 the amount paid by twenty-eight mills was \$309,617, or an average of 1.12%. In 1910 the amount

paid out was \$435,150, or an average of 1.64%. In 1909 the average rate was 1.61% and in 1908 was 1.50%.

Third Quarter. 1912 and 1911.	Capital.	Dividends 1912.		Dividends 1911.		Inc. (+) or Dec. (-).
		%	Amount.	%	Amount.	
Amer. Linen Co.	\$ 800,000	1	\$ 8,000	No d	dividend.	+8,000
Ancona Mills	300,000	1 1/2	4,500	1 1/2	4,500	-----
Arkwright Mills	450,000	No d	dividend.	No d	dividend.	-----
Barnard Mfg. Co.	495,000	No d	dividend.	No d	dividend.	-----
Barnaby Mfg. Co.	350,000	No d	dividend.	1	3,500	-3,500
Border C'y Mfg. Co.	1,000,000	1	10,000	1	10,000	-----
Bourne Mills	1,000,000	1 1/2	15,000	1 1/2	15,000	-----
Chace Mills	1,200,000	1	12,000	1 1/2	18,000	-6,000
Conanicut Mills	251,670	1	2,516	1	2,517	-1
Cornell Mills	400,000	2	8,000	2	8,000	-----
Davis Mills	1,250,000	1 1/2	18,750	1 1/2	18,750	-----
Davol Mills	500,000	1 1/2	7,500	1 1/2	7,500	-----
Flint Mills	1,160,000	1	11,600	1	11,600	-----
Granite Mills	1,000,000	1	10,000	1 1/2	15,000	-5,000
Hargraves Mills	800,000	No d	dividend.	1 1/2	12,000	-12,000
King Philip Mills	1,500,000	1 1/2	22,500	1 1/2	22,500	-----
Laurel Lake Mills	600,000	1 1/2	9,000	1 1/2	9,000	-----
Lincoln Mfg. Co.	700,000	1 1/2	10,500	1 1/2	10,500	-----
Luther Mfg. Co.	350,000	1 1/2	5,250	1 1/2	5,250	-----
Mechanics' Mills	750,000	1	7,500	1	7,500	-----
Merchants' Mfg. Co.	1,200,000	1	12,000	No d	dividend.	+12,000
Narragansett Mills	400,000	1	4,000	1 1/2	6,000	-2,000
Osborn Mills	750,000	1 1/2	11,250	1 1/2	11,250	-----
Parker Mills	800,000	No d	dividend.	1 1/2	12,000	-12,000
Pocasset Mfg. Co.	1,200,000	1	12,000	1 1/2	18,000	-6,000
Richard Borden Mfg. Co.	1,000,000	1 1/2	15,000	1 1/2	15,000	-----
Sagamore Mfg. Co.	1,200,000	1 1/2	18,000	1 1/2	18,000	-----
Seaconnet Mills	600,000	No d	dividend.	No d	dividend.	-----
Shove Mills	550,000	1	5,500	1	5,500	-----
Stafford Mills	1,000,000	1	10,000	No d	dividend.	+10,000
Stevens Mfg. Co.	700,000	1 1/2	10,500	1 1/2	10,500	-----
Tecumseh Mills	750,000	1 1/2	11,250	1 1/2	11,250	-----
Troy Cotton & Woolen Mfg. Co.	300,000	2	6,000	2	6,000	-----
Union Cot. Mfg. Co.	1,200,000	1 1/2	18,000	1 1/2	18,000	-----
Wampanoag Mills	750,000	1	7,500	No d	dividend.	+7,500
Weetamoc Mills	500,000	1 1/2	7,500	No d	dividend.	+7,500
Total	27,756,670	1.11	308,116	1.12	309,617	-1,501

a On \$100,000 preferred stock.

Combining the foregoing results with those of the half-year, we have the following exhibit for the nine months. It is seen that on a capitalization of \$27,756,670, the mills have paid out in dividends \$826,250 in the nine months of the present year, or an average of 2.98%, against 3.94% in 1911, 5.23% in 1910, 5.85% in 1909 (including a large extra dividend by the Union Cotton Mfg. Co.), 5.42% in 1908, 7.27% in 1907, 4.87% in 1906, 2.13% in 1905, 3.06% in 1904, 4.36% in 1903 and 4.59% in the like period of 1902.

Nine Months. 1912 and 1911.	Capital.	Dividends 1912.		Dividends 1911.		Inc. (+) or Dec. (-).
		%	Amount.	%	Amount.	
Amer. Linen Co.	\$ 800,000	1	\$ 8,000	2 1/2	\$ 18,000	-10,000
Ancona Mills	300,000	4 1/2	4,500	4 1/2	4,500	-----
Arkwright Mills	450,000	No d	dividend.	No d	dividend.	-----
Barnard Mfg. Co.	495,000	No d	dividend.	1 1/2	7,425	-7,425
Barnaby Mfg. Co.	350,000	No d	dividend.	3	10,500	-10,500
Border C'y Mfg. Co.	1,000,000	3	30,000	4	40,000	-10,000
Bourne Mills	1,000,000	4 1/2	45,000	4 1/2	45,000	-----
Chace Mills	1,200,000	3	36,000	5	60,000	-24,000
Conanicut Mills	251,670	3	7,550	4	10,067	-2,517
Cornell Mills	400,000	6	24,000	6	24,000	-----
Davis Mills	1,250,000	4 1/2	56,250	4 1/2	56,250	-----
Davol Mills	500,000	4 1/2	22,500	4 1/2	22,500	-----
Flint Mills	1,160,000	2	23,200	2 1/2	29,000	-5,800
Granite Mills	1,000,000	3	30,000	5	50,000	-20,000
Hargraves Mills	800,000	No d	dividend.	5 1/2	44,000	-44,000
King Philip Mills	1,500,000	4 1/2	67,500	4 1/2	67,500	-----
Laurel Lake Mills	600,000	3 1/2	21,000	5	30,000	-9,000
Lincoln Mfg. Co.	700,000	4 1/2	31,500	4 1/2	31,500	-----
Luther Mfg. Co.	350,000	4 1/2	15,750	4 1/2	15,750	-----
Mechanics' Mills	750,000	3	22,500	3 1/2	26,250	-3,750
Merchants' Mfg. Co.	1,200,000	2	24,000	2 1/2	30,000	-6,000
Narragansett Mills	400,000	3	12,000	5	20,000	-8,000
Osborn Mills	750,000	4 1/2	33,750	4 1/2	33,750	-----
Parker Mills	800,000	No d	dividend.	5 1/2	44,000	-44,000
Pocasset Mfg. Co.	1,200,000	2	24,000	4 1/2	54,000	-30,000
Richard Borden Mfg. Co.	1,000,000	4 1/2	45,000	5 1/2	55,000	-10,000
Sagamore Mfg. Co.	1,200,000	4 1/2	54,000	5 1/2	66,000	-12,000
Seaconnet Mills	600,000	No d	dividend.	No d	dividend.	-----
Shove Mills	550,000	2	11,000	4	22,000	-11,000
Stafford Mills	1,000,000	1	10,000	1 1/2	15,000	-5,000
Stevens Mfg. Co.	700,000	4 1/2	31,500	4 1/2	31,500	-----
Tecumseh Mills	750,000	4 1/2	33,750	4 1/2	33,750	-----
Troy Cotton & Woolen Mfg. Co.	300,000	6	18,000	6 1/2	19,500	-1,500
Union Cot. Mfg. Co.	1,200,000	4 1/2	54,000	4 1/2	54,000	-----
Wampanoag Mills	750,000	2	15,000	1 1/2	11,250	+3,750
Weetamoc Mills	500,000	3	15,000	2 1/2	12,500	+2,500
Total	27,756,670	2.98	826,250	3.94	1,094,492	-268,242

DEBT STATEMENT OF AUGUST 31 1912.

The following statements of the public debt and Treasury cash holdings of the United States are made up from official figures issued Aug. 31 1912. For statement of July 31 1912, see issue of Aug. 24 1912, page 459; that of Aug. 31 1911, see issue of Sept. 6 1911, page 706.

INTEREST-BEARING DEBT AUGUST 31 1912.

Title of Loan—	Interest Payable.	Amount Issued.		Amount Outstanding.		Total.
		\$	Registered.	\$	Coupon.	
2s. Consols of 1930.....Q.-J.		646,250,150	642,371,650	3,878,500	646,250,150	
3s. Loan of 1908-18.....Q.-F.		198,792,660	44,121,400	19,824,060	63,945,460	
4s. Loan of 1925.....Q.-F.		162,315,400	100,177,750	18,312,150	118,489,900	
2s. Pan. Canal Loan 1906.....Q.-F.		54,631,980	54,608,380	23,600	54,631,980	
2s. Pan. Canal Loan 1908.....Q.-F.		30,000,000	29,658,920	341,080	30,000,000	
3s. Pan. Canal Loan 1911.....Q.-S.		50,000,000	34,328,600	15,671,400	50,000,000	
2 1/2s. Post. Sav. bonds 1911.....J.-J.		41,900	37,080	4,820	41,900	
2 1/2s. Post. Sav. bonds 1912.....J.-J.		417,380	319,380	98,000	417,380	
2 1/2s. Post. Sav. bonds 1912.....J.-J.		854,860	714,840	140,020	854,860	

Aggregate int.-bearing debt.....1,143,304,330 906,338,000 58,293,630 964,631,630

DEBT BEARING NO INTEREST.

	July 31.		Aug. 31.	
	\$	Registered.	\$	Registered.
United States notes.....	346,681,016	00	346,681,016	00
Old demand notes.....	53,282	50	53,282	50
National bank notes—Redemption account.....	23,282,743	50	22,595,701	00
Fractional currency, less \$8,375,934 estimated as lost or destroyed.....	6,855,829	90	6,855,829	90
Aggregate debt bearing no interest.....	376,872,871	90	376,185,829	40

DEBT ON WHICH INTEREST HAS CEASED SINCE MATURITY.

	July 31.	Aug. 31.
Funded loan of 1891, continued at 2%, called May 18 1900, interest ceased Aug. 18 1900.....	\$5,000 00	\$5,000 00
Funded loan of 1891, matured Sept. 2 1891.....	23,650 00	23,650 00
Loan of 1904, matured Feb. 2 1904.....	13,260 00	13,260 00
Funded loan of 1907, matured July 2 1907.....	770,950 00	768,450 00
Refunding certificates, matured July 1 1907.....	14,010 00	14,010 00
Old debt matured at various dates prior to Jan. 1 1861 and other items of debt matured at various dates subsequent to Jan. 1 1861.....	904,150 26	904,150 26

Aggregate debt on which interest has ceased since maturity.....\$1,731,010 26 \$1,728,510 26

RECAPITULATION.

Classification—	Aug. 31 1912.	July 31 1912.	Increase (+) or Decrease (-).
Interest-bearing debt.....	\$964,631,630 00	\$964,631,630 00	-----
Debt interest ceased.....	1,728,510 26	1,731,010 26	-\$2,500 00
Debt bearing no interest.....	376,185,829 40	376,872,871 90	-687,042 50
Total gross debt.....	\$1,342,545,969 66	\$1,343,235,512 16	-\$689,542 50
Cash balance in Treasury*.....	304,641,783 69	311,648,787 04	-7,007,003 35
Total net debt.....	\$1,037,904,185 97	\$1,031,586,725 12	+\$6,317,460 85

* Includes \$150,000,000 reserve fund.

The foregoing figures show a gross debt on Aug. 31 of \$1,342,545,969 66 and a net debt (gross debt less net cash in the Treasury) of \$1,037,904,185 97.

TREASURY CASH AND DEMAND LIABILITIES.—

The cash holdings of the Government as the items stood Aug. 31 are set out in the following:

ASSETS.		LIABILITIES.	
Trust Fund Holdings—	\$	Trust Fund Liabilities—	\$
Gold coin.....	1,053,126,269 00	Gold certificates.....	1,053,126,269 00
Silver dollars.....	489,512,000 00	Silver certificates.....	489,512,000 00
Silver dollars of 1890.....	2,884,000 00	Treasury notes of 1890.....	2,884,000 00
Total trust fund.....	1,545,522,269 00	Total trust liabilities.....	1,545,522,269 00
General Fund Holdings—		Gen. Fund Liabilities—	
Cert. checks on banks.....	695,455 57	National bank 5% fund.....	26,692,033 89
Gold coin and bullion.....	17,257,942 26	Outstanding checks and drafts.....	13,242,611 36
Gold certificates.....	104,475,830 00	Disbursing officers' balances.....	75,104,249 33
Silver certificates.....	17,665,069 00	Post Office Department account.....	5,283,399 47
Silver dollars.....	4,814,706 00	Miscellaneous items.....	1,771,443 98
Silver bullion.....	2,023,802 82	Tot. gen. liabilities.....	122,093,738 03
United States notes.....	8,067,352 00		
Treasury notes of 1890.....	8,454 00		
National bank notes.....	40,879,279 64		
Fractional silver coin.....	25,308,819 15		
Fractional currency.....	348 48		
Minor coin.....	2,069,780 84		
Bonds and interest paid.....	30,344 45		
Tot. in Sub-Treasuries.....	223,297,214 21		
In Nat. Bank Depositories.....			
Credit Treasurer of U. S.....	35,042,520 12		
Credit U. S. dis. officers.....	12,375,288 77		
Total in banks.....	47,417,808 89		
In Treas. of Philippine Islands.....			
Credit Treasurer of U. S.....	3,059,004 23		
Credit U. S. dis. officers.....	2,961,494 39		
Total in Philippines.....	6,020,498 62		
Reserve Fund Holdings—		Cash balance and reserve—	
Gold coin and bullion.....	150,000,000 00	Total cash and reserve.....	304,641,783 69
Grand total.....	1,972,257,790 72	Made up of—	
		Available.....	154,641,783 69
		and	
		Reserve Fund—	
		Gold & bull.....	150,000,000 00
		Grand total.....	1,972,257,790 72

TREASURY CURRENCY HOLDINGS.—The following compilation, based on official Government statements, shows the currency holdings of the Treasury at the beginning of business on the first of June, July, August and September 1912.

TREASURY NET HOLDINGS.

	June 1 1912.	July 1 1912.	Aug. 1 1912.	Sept. 1 1912.
Holdings in Sub-Treasuries—	\$	\$	\$	\$
Net gold coin and bullion.....	244,189,050	263,362,063	268,747,666	271,733,772
Net silver coin and bullion.....	24,911,692	28,037,520	24,379,131	24,503,578
Net United States Treasury notes.....	14,110	9,905	12,573	8,454
Net legal-tender notes.....	8,657,798	8,758,893	8,497,777	8,067,352
Net national bank notes.....	35,937,196	39,938,688	42,711,981	40,879,280
Net fractional silver.....	25,584,333	25,581,048	25,530,820	25,308,819
Minor coin, &c.....	3,440,715	3,148,230	3,140,921	2,795,929
Total cash in Sub-Treasuries.....	342,734,894	368,836,347	373,020,869	373,297,214
Less gold reserve fund.....	150,000,000	150,000,000	150,000,000	150,000,000

EXPORTS OF GOLD AND SILVER FROM SAN FRANCISCO.

Months.	Gold.			Silver.		
	Coin.	Bullion.	Total.	Coin.	Bullion.	Total.
1912.						
January	\$ 5,130		\$ 5,130		1,147,400	1,147,400
February					543,329	543,329
March	945		945		1,145,300	1,145,300
April	1,145		1,145		814,632	814,632
May	3,999,168		3,999,168		1,371,514	1,371,514
June	6,270	1,019,395	1,025,665		661,663	661,663
July					840,487	840,487
Total 7 mos.	13,490	5,018,563	4,132,053		6,524,325	6,524,325
7 mos. 1911.	5,690	673,000	678,690	219,086	5,180,600	5,399,686

Monetary & Commercial English News

English Financial Markets—Per Cable.

The daily closing quotations for securities, &c., at London, as reported by cable, have been as follows the past week:

London.						
Week ending Sept. 20.	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
Silver, per oz.	29 1-16	29 1-16	29 1-16	29 3-16	29 1-16	29 3-16
Consols, 2 1/2 per cents.	74 1/4	74 1/4	74 1/4	74 1-16	74 1/4	74 1/4
For account.	74 1/4	74 5-16	74 9-16	74 1/4	74 3-16	74 3-16
French Rentes (in Paris), fr.	92.52 1/2	91.57 1/2	91.55	91.50	91.35	91.27 1/2
Amalgamated Copper Co.	89 1/2	89 1/2	89 1/2	90 1/2	90 1/2	90 1/2
Amer. Smelt. & Refg.	87 1/2	87 1/2	87 1/2	88 1/2	88 1/2	88 1/2
Anaconda Mining Co.	9 1/2	9 1/2	9 1/2	9 1/2	9 1/2	9 1/2
Atch. Topeka & Santa Fe.	111	111 1/2	111	111 1/2	111 1/2	112 1/2
Preferred.	105	105	105	105	105	105
Baltimore & Ohio.	109 1/2	109 1/2	109 1/2	110 1/2	110 1/2	110 1/2
Preferred.	89	89	89	89	89	89
Canadian Pacific.	282 1/2	282	283	285 1/2	284 1/2	285
Chesapeake & Ohio.	82	82 1/2	82 1/2	83 1/2	83 1/2	83 1/2
Chicago Great Western.	18 1/2	18 1/2	18 1/2	18 1/2	17 1/2	18 1/2
Chicago Milw. & St. Paul.	109 1/2	109 1/2	110	110 1/2	110 1/2	110 1/2
Denver & Rio Grande.	22 1/2	22 1/2	22 1/2	22 1/2	22 1/2	22 1/2
Preferred.	38 1/2	38	38 1/2	39	39	39
Erie.	37	37 1/2	37 1/2	38 1/2	38	37 1/2
First preferred.	54 1/2	54 1/2	55 1/2	56 1/2	56 1/2	56
Second preferred.	45	45	45 1/2	45 1/2	45 1/2	45 1/2
Great Northern, preferred.	142 1/2	142	142 1/2	143 1/2	144 1/2	144 1/2
Illinois Central.	131 1/2	132	132 1/2	133	133 1/2	133
Louisville & Nashville.	166 1/2	166 1/2	167	167 1/2	167 1/2	167
Missouri Kansas & Texas.	29 1/2	29 1/2	29 1/2	30	30	30
Preferred.	64 1/2	64 1/2	64 1/2	65	65	65
Missouri Pacific.	42 1/2	42 1/2	42 1/2	43 1/2	43	43
Nat. RR. of Mex., 1st pref.	67	67	67	67	67	67
Second preferred.	30 1/2	30 1/2	30	30 1/2	30 1/2	30 1/2
N. Y. Central & Hud. River.	117 1/2	117 1/2	117 1/2	118 1/2	118 1/2	118 1/2
N. Y. Ontario & Western.	37 1/2	37 1/2	38	38	38	37 1/2
Norfolk & Western.	119 1/2	119	120	120 1/2	120 1/2	120 1/2
Preferred.	90	90	90	90	90	90
Northern Pacific.	130	129 1/2	130	132	131 1/2	132 1/2
a Pennsylvania.	63 1/2	63 1/2	63 1/2	64	64	64
a Reading Company.	86 1/2	86	85 1/2	87 1/2	87 1/2	87
a First preferred.	45 1/2	45 1/2	45 1/2	45 1/2	45 1/2	45 1/2
a Second preferred.	49	49	49	49	49	49
Rock Island.	27 1/2	27 1/2	27 1/2	27 1/2	27 1/2	28 1/2
Southern Pacific.	112 1/2	112 1/2	113	114 1/2	114 1/2	114 1/2
Southern Railway.	32 1/2	32 1/2	32 1/2	32 1/2	32 1/2	32 1/2
Preferred.	86	86	87	88 1/2	88 1/2	88 1/2
Union Pacific.	174 1/2	174	173 1/2	176 1/2	176 1/2	176 1/2
Preferred.	91 1/2	93	93	92 1/2	92 1/2	92 1/2
U. S. Steel Corporation.	75	74 1/2	74 1/2	76 1/2	76 1/2	77
Preferred.	116 1/2	116 1/2	116 1/2	116 1/2	116 1/2	116 1/2
Wabash.	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Preferred.	14 1/2	14 1/2	15	14 1/2	14 1/2	14 1/2
Extended 4s.	71 1/2	71 1/2	71	71 1/2	71 1/2	71 1/2

a Price per share. b £ sterling. c Ex-dividend.

Commercial and Miscellaneous News

BANK NOTES—CHANGES IN TOTALS OF, AND IN DEPOSITED BONDS, &c.—We give below tables which show all the monthly changes in bank notes and in bonds and legal tenders on deposit. The statement for August 1911 will be found in our issue for Sept. 23 1911, page 772.

1911-1912.	Bonds and Legal Tenders on Deposit for		Circulation Afloat Under—		
	Bonds.	Legal Tenders.	Bonds.	Legal Tenders.	Total.
Aug. 31 1912.	\$ 727,317,530	\$ 22,595,751	\$ 723,905,556	\$ 22,595,751	\$ 746,501,307
July 31 1912.	725,505,460	23,282,793	721,623,148	23,282,793	744,905,941
June 30 1912.	724,493,740	24,710,882	720,424,110	24,710,882	745,134,992
May 31 1912.	724,265,600	25,631,642	719,861,030	25,631,642	745,492,672
April 30 1912.	723,035,910	27,115,655	718,604,693	27,115,655	745,720,348
Mch. 31 1912.	721,315,120	27,869,700	717,001,493	27,869,700	744,871,193
Feb. 29 1912.	722,026,920	25,724,070	718,548,203	25,724,070	744,272,273
Jan. 31 1912.	719,811,320	26,167,972	715,493,996	26,167,972	741,661,968
Dec. 31 1911.	717,578,120	26,240,119	714,363,068	26,240,119	740,603,187
Nov. 30 1911.	715,560,170	27,649,008	712,115,338	27,649,008	739,764,346
Oct. 31 1911.	714,170,320	28,065,375	711,099,938	28,065,375	739,165,313
Sept. 30 1911.	713,062,810	28,811,903	708,976,455	28,811,903	737,788,358

The following shows the amount of each class of bonds held against national bank circulation and to secure public moneys in national bank depositories on Aug. 31:

Bonds on Deposit August 31 1912.	U. S. Bonds Held Aug. 31 to Secure—		
	Bank Circulation.	Public Deposits in Banks.	Total Held.
4%, U. S. loan of 1925.	\$ 25,050,500	\$ 3,591,000	\$ 28,641,500
3%, U. S. loan of 1908-1918.	19,774,220	3,783,300	23,557,520
2%, U. S. Consols of 1930.	601,031,350	12,391,700	613,423,050
2%, U. S. Panama of 1936.	52,666,280	1,495,500	54,161,780
2%, U. S. Panama of 1938.	28,795,180	712,000	29,507,180
3%, U. S. Panama of 1961.		16,964,000	16,964,000
4%, Philippine loans.		4,524,000	4,524,000
4%, Porto Rico loans.		715,000	715,000
3.65%, District of Columbia.		812,000	812,000
Various, Territory of Hawaii.		685,000	685,000
4%, Philippine Railway.		202,000	202,000
Various, State, City and Railroad.		1,852,000	1,852,000
Total	727,317,530	47,727,500	775,045,030

The following shows the amount of national bank notes afloat and the amount of legal-tender deposits Aug. 1 and Sept. 1, and their increase or decrease during the month of August:

National Bank Notes—Total Afloat—	
Amount afloat Aug. 1 1912.	\$744,905,941
Net amount retired during August.	1,595,366
Amount of bank notes afloat Sept. 1 1912.	\$746,521,307
Legal-Tender Notes—	
Amount on deposit to redeem national bank notes Aug. 1 1912.	\$23,282,793
Net amount of bank notes retired in August.	687,042
Amount on deposit to redeem national bank notes Sept. 1 1912.	\$22,595,751

STOCK OF MONEY IN THE COUNTRY.—The following table shows the general stock of money in the country as well as the holdings by the Treasury, and the amount in circulation, on the dates given. The statement for Sept. 1 1911 will be found in our issue of Sept. 23 1911, page 771.

	Stock of Money Sept. 3 1912.		—Money in Circulation—	
	In United States.	Held in Treasury.	Sept. 3 1912.	Sept. 1 1911.
Gold coin and bullion.	\$1,832,083,564	167,257,942	611,699,353	593,485,758
Gold certificates.		104,475,830	948,650,439	923,689,689
Standard silver dollars.	565,395,367	4,814,706	71,068,661	72,471,805
Silver certificates.		17,665,069	471,846,931	460,348,911
Subsidiary silver.	a171,425,508	25,308,849	146,116,699	139,524,195
Treasury notes of 1890.	2,884,000	8,454	2,875,546	3,185,773
United States notes.	346,681,016	8,067,352	338,613,664	342,431,706
National bank notes.	746,501,307	40,879,280	705,622,027	693,775,797

Total 3,664,970,762 368,477,482 3,296,493,280 3,228,913,634
Population of continental United States Sept. 3 1912 estimated at 95,936,000; circulation per capita, \$34.36.

* A revised estimate by the Director of the Mint of the stock of gold coin was adopted in the statement for Aug. 1 1907. There was a reduction of \$135,000,000.
a A revised estimate by the Director of the Mint of the stock of subsidiary silver coin was adopted in the statement of Sept. 1 1910. There was a reduction of \$9,700,000.

b For redemption of outstanding certificates an exact equivalent in amount of the appropriate kinds of money is held in the Treasury, and is not included in the amount of money held as assets of the Government.

c This statement of money held in the Treasury as assets of the Government does not include deposits of public money in national bank depositories to the credit of the Treasurer of the United States, amounting to \$35,042,520 12.

FOREIGN TRADE OF NEW YORK—MONTHLY STATEMENT.—In addition to the other tables given in this department, made up from weekly returns, we give the following figures for the full months, also issued by our New York Custom House.

Month.	Merchandise Movement to New York.				Customs Receipts at New York.	
	Imports.		Exports.		1912.	1911.
	1912.	1911.	1912.	1911.		
January	\$ 87,174,822	\$ 74,513,315	\$ 66,475,205	\$ 61,365,707	\$ 17,425,585	\$ 16,808,957
February	80,426,110	66,677,911	69,345,534	61,749,886	17,291,911	16,334,953
March	94,289,890	84,752,800	72,192,950	71,039,366	18,961,616	19,487,785
April	95,298,037	71,065,446	70,515,688	73,279,673	16,539,318	14,903,015
May	88,860,861	73,970,041	77,217,457	66,054,021	16,332,160	16,013,192
June	74,937,441	69,527,171	61,039,548	65,127,728	15,257,299	14,917,580
July	85,764,897	69,247,136	66,670,270	58,702,124	18,180,492	16,481,668
August	86,569,092	74,673,583	72,500,822	62,055,957	18,322,736	18,023,013
Total	693,321,150	584,427,966	555,957,474	519,374,461	138,310,997	132,970,163

The imports and exports of gold and silver for the eight months have been as follows:

Month.	Gold Movement at New York.				Silver—New York.	
	Imports.		Exports.		Imports.	Exports.
	1912.	1911.	1912.	1911.	1912.	1912.
January	\$ 1,894,791	\$ 1,325,148	\$ 1,751,573	\$ 871,445	\$ 1,458,551	\$ 4,817,026
February	1,441,106	632,423	10,507,393	351,125	1,232,507	4,513,845
March	2,464,940	1,158,724	7,332,800	436,292	678,155	4,583,186
April	1,665,013	470,074	1,616,931	591,794	1,577,763	4,053,408
May	1,802,253	2,850,931	376,740	395,600	1,116,472	5,291,820
June	3,024,221	2,319,280	6,025,618	49,777	799,683	4,320,367
July	1,838,482	519,068	858,180	269,508	585,335	5,687,472
August	2,376,892	1,873,940	38,800	84,400	893,282	606,930
Total	16,507,698	11,149,588	28,508,035	3,049,941	8,341,748	33,874,054

National Banks.—The following information regarding national banks is from the office of the Comptroller of the Currency, Treasury Department:

APPLICATION TO CONVERT APPROVED.

The Hagerman State Bank, Hagerman, Idaho, into "The First National Bank of Hagerman." Capital, \$25,000. C. L. Nelson, correspondent, Hagerman, Idaho.

CHARTERS ISSUED TO NATIONAL BANKS SEPT. 13.

- CHARTERS ISSUED.
- 10,250—The People's National Bank of Rowlesburg, W. Va. Capital, \$25,000. A. A. Pickering, President; O. C. Hileman, Cashier.
- 10,251—The First National Bank of Nesquehoning, Pa. Capital, \$25,000. J. H. Behler, President; J. C. Corby, Cashier.
- 10,252—The First National Bank of Honaker, Va. Capital, \$25,000. E. J. Boyd, President; Aaron Russ, Cashier. (Conversion of The New Garden Bank [Inc.], Honaker, Va.)
- 10,253—Marshall National Bank, Marshall, Va. Capital, \$40,000. J. S. Mason, President; C. E. Kemper, Cashier. (Conversion of The Bank of Marshall [Inc.], Marshall, Va.)
- 10,254—The First National Bank of East Bernstadt, Ky. Capital, \$25,000. J. W. Creech, President; W. Q. Harned, Cashier. (Conversion of The East Bernstadt Banking Co.)
- 10,255—The Citizens National Bank of Broken Arrow, Okla. Capital, \$25,000. W. P. Fraker, President; L. T. Tryon, Cashier. (Conversion of The First State Bank, Broken

VOLUNTARY LIQUIDATION.

- 3,786—The Sturgis National Bank of Hillsboro, Tex., Aug. 9 1912. Consolidated with the Citizens' National Bank of Hillsboro. Liquidating agent, T. G. Hawkins, Hillsboro, Tex.
- 2,277—The Fourth National Bank of Boston, Mass., August 28 1912. Consolidated with The Atlantic National Bank of Boston, Mass., the title of the latter being changed to "The Fourth-Atlantic National Bank of Boston." Wm. N. Homer and Edgar F. Hanscom, Boston, Mass., liquidating agents.
- 1,017—The Milwaukee National Bank of Wisconsin, Milwaukee, Wis., August 29 1912. Absorbed by The First National Bank of Milwaukee. Geo. W. Strohmeier, Milwaukee, Wis., liquidating agent.
- 6,009—The Angelina County National Bank of Lufkin, Tex., July 6 1912. Consolidated with The Guaranty State Bank of Lufkin. Liquidating committee, W. J. Townsend Jr., I. D. Fairchild, A. Stroud and W. H. Perkins, Lufkin, Tex.

Canadian Bank Clearings.—The clearings for the week ending Sept. 14 at Canadian cities, in comparison with the same week of 1911, shows an increase in the aggregate of 28.2%.

Clearings at—	Week ending Sept. 14.				
	1912.	1911.	Inc. or Dec.	1910.	1909.
Canada—	\$	\$	%	\$	\$
Montreal	56,847,893	42,986,428	+32.2	38,547,883	34,664,072
Toronto	36,938,935	33,108,691	+11.6	31,215,965	26,792,034
Winnipeg	27,003,487	19,183,020	+40.8	17,665,367	13,404,082
Vancouver	13,767,555	11,371,242	+21.1	9,222,577	6,911,622
Ottawa	3,361,186	3,530,966	-4.8	3,667,321	3,583,847
Quebec	3,480,924	2,330,034	+49.4	2,155,000	2,205,604
Halifax	2,382,387	1,492,086	+59.8	1,661,419	1,661,227
Hamilton	3,008,628	2,398,872	+25.4	2,039,556	1,843,856
St. John	1,688,146	1,315,636	+28.4	1,698,434	1,594,776
Calgary	5,034,767	4,686,530	+7.4	2,580,426	1,870,234
Victoria	3,694,837	2,465,780	+49.4	2,255,293	1,346,816
London	1,518,704	1,296,361	+17.1	1,233,390	1,174,253
Edmonton	4,147,509	2,348,080	+76.6	1,797,527	1,137,580
Regina	2,537,035	1,514,113	+67.6	1,446,333	-----
Brandon	553,738	460,646	+20.2	500,623	-----
Lethbridge	623,009	524,545	+18.8	479,624	-----
Saskatoon	2,839,805	1,350,230	+110.3	-----	-----
Moose Jaw	1,175,690	715,571	+64.3	-----	-----
Brantford	498,211	424,686	+17.3	-----	-----
Fort William	741,431	Not incl. in total	-----	-----	-----
Total Canada	171,106,446	133,503,511	+28.2	118,166,738	98,190,053

Breadstuffs Figures brought from page 765.—The statements below are prepared by us from figures collected by the New York Produce Exchange. The receipts at Western lake and river ports for the week ending last Saturday and since August 1 for each of the last three years has been:

Receipts at—	Flour.	Wheat.	Corn.	Oats.	Barley.	Rye.
	bbls. 196 lbs.	bush. 60 lbs.	bush. 56 lbs.	bush. 32 lbs.	bush. 48 lbs.	bu. 56 lbs.
Chicago	152,480	1,716,200	3,192,600	1,244,400	214,500	58,600
Milwaukee	70,000	515,200	305,620	547,200	283,400	82,500
Duluth	17,750	2,599,302	-----	162,289	602,182	201,438
Minneapolis	-----	3,524,880	64,210	491,970	884,600	394,310
Toledo	-----	207,000	46,800	453,000	-----	-----
Detroit	5,000	7,000	93,434	151,000	-----	-----
Cleveland	905	9,106	30,952	19,552	-----	-----
St. Louis	68,620	1,257,484	485,155	467,500	59,200	9,900
Peoria	33,500	20,000	559,444	231,500	32,000	33,600
Kansas City	-----	1,815,200	118,800	171,700	-----	-----
Total wk. '12	348,255	11,671,373	4,897,015	3,940,111	2,075,882	780,348
Same wk. '11	319,287	6,829,742	3,643,388	3,605,726	3,228,370	288,694
Same wk. '10	363,131	7,503,458	4,107,692	3,333,619	1,881,138	114,794
Since Aug. 1						
1912	2,133,255	61,184,775	21,610,823	36,886,056	7,107,710	2,690,791
1911	2,201,941	42,157,427	23,987,011	29,414,890	10,195,918	1,518,491
1910	2,489,216	59,146,442	26,598,486	48,608,836	7,375,802	1,209,222

Total receipts of flour and grain at the seaboard ports for the week ended Sept. 14 1912 follow:

Receipts at—	Flour.	Wheat.	Corn.	Oats.	Barley.	Rye.
	bbls.	bush.	bush.	bush.	bush.	bush.
New York	185,518	1,095,800	70,290	1,230,675	1,275	19,550
Boston	32,265	369,328	29,000	257,163	835	900
Philadelphia	41,080	294,685	21,993	512,318	-----	-----
Baltimore	36,628	179,590	37,771	490,480	1,203	986
New Orleans*	32,513	279,100	129,100	123,200	-----	-----
Port Arthur	-----	80,000	-----	-----	-----	-----
Galveston	-----	393,000	1,000	8,000	-----	3,000
Mobile	2,000	-----	4,000	-----	-----	-----
Montreal	27,176	1,051,876	50,889	445,058	32,524	-----
St. John	1,919	-----	-----	1,500	-----	-----
Total week 1912	359,099	3,779,379	354,043	3,068,394	35,837	24,436
Since Jan. 1 1912	1,930,985	8,117,254	26,896,071	39,095,242	325,996	338,234
Week 1911	379,570	2,455,461	985,716	924,789	36,039	40,308
Since Jan. 1 1911	13,115,644	58,343,348	52,127,525	39,987,351	2914,242	433,325

* Receipts do not include grain passing through New Orleans for foreign ports on through bills of lading.

The exports from the several seaboard ports for the week ending Sept. 14 are shown in the annexed statement:

Exports from—	Wheat.	Corn.	Flour.	Oats.	Rye.	Barley.	Peas.
	bush.	bush.	bbls.	bush.	bush.	bush.	bush.
New York	923,480	4,768	68,671	420,362	-----	-----	3,892
Boston	416,936	23,433	5,683	197,429	-----	-----	-----
Philadelphia	152,000	-----	12,000	96,000	-----	-----	-----
Baltimore	186,847	1,200	-----	66,321	-----	-----	-----
New Orleans	304,000	4,600	12,000	-----	-----	-----	-----
Galveston	373,000	-----	8,000	-----	-----	-----	-----
Mobile	-----	4,000	2,000	-----	-----	-----	-----
Montreal	1,119,903	-----	45,000	413,000	59,000	-----	-----
St. John	-----	-----	1,919	-----	-----	-----	-----
Total week	3,555,263	38,001	155,273	1,194,112	59,000	3,892	3,557
Week 1911	2,423,057	625,226	206,005	51,597	-----	-----	-----

The destination of these exports for the week and since July 1 1912 is as below:

Exports for week and since July 1 to—	Flour		Wheat		Corn	
	Week.	Since July 1.	Week.	Since July 1.	Week.	Since July 1.
United Kingdom	67,655	815,375	1,699,244	14,221,017	23,433	74,908
Continent	20,901	178,179	1,851,277	10,560,677	-----	14,000
So. & Cent. Amer.	19,918	271,292	4,742	206,730	3,595	251,971
West Indies	43,299	353,914	-----	4,875	10,910	316,297
Brit. No. Am. Cols.	3,500	15,002	-----	-----	-----	1,125
Other Countries	-----	67,289	-----	4,000	63	12,787
Total	155,273	1,934,134	2,555,262	24,997,302	38,001	671,088
Total 1911	206,005	1,934,134	2,423,057	19,149,452	621,226	4,891,700

The world's shipments of wheat and corn for the week ending Sept. 14 1912 and since July 1 1912 and 1911 are shown in the following:

Exports.	Wheat.			Corn.		
	1912.		1911.	1912.		1911.
	Week Sept. 14.	Since July 1.	Since July 1.	Week Sept. 14.	Since July 1.	Since July 1.
North Amer.	Bushels. 4,224,000	Bushels. 37,088,000	Bushels. 32,800,000	Bushels. 26,000	Bushels. 152,000	Bushels. 3,829,000
Russia	4,072,000	24,711,000	24,770,000	774,000	3,877,000	14,826,000
Danube	2,696,000	14,776,000	17,832,000	366,000	6,726,000	20,018,000
Argentina	1,176,000	18,818,000	13,752,000	6,231,000	65,557,000	60,000
Australia	568,000	5,816,000	10,152,000	-----	-----	-----
India	1,648,000	21,832,000	13,882,000	-----	-----	-----
Oth. countr's	192,000	1,846,000	2,204,000	-----	-----	-----
Total	14,576,000	124,887,000	115,392,000	7,397,000	76,312,000	38,733,000

The quantity of wheat and corn afloat for Europe on dates mentioned was as follows:

	Wheat.			Corn.		
	United Kingdom.	Continent.	Total.	United Kingdom.	Continent.	Total.
	Bushels.	Bushels.	Bushels.	Bushels.	Bushels.	Bushels.
Sept. 14 1912	16,432,000	21,784,000	38,216,000	10,217,000	24,548,000	34,765,000
Sept. 7 1912	18,152,000	18,960,000	37,112,000	9,231,000	23,834,000	33,065,000
Sept. 16 1911	16,384,000	16,472,000	32,856,000	1,921,000	3,579,000	5,500,000
Sept. 17 1910	18,640,000	20,240,000	38,880,000	10,710,000	9,690,000	20,400,000

DIVIDENDS.

The following shows all the dividends announced for the future by large or important corporations:
Dividends announced this week are printed in italics.

Name of Company.	Per Cent.	When Payable.	Books Closed. Days Inclusive.
Railroads (Steam).			
Beech Creek, guaranteed (quar.)	1	Oct. 1	Holders of rec. Sept. 23a
Boston & Albany (quar.)	2	Sept. 30	Holders of rec. Aug. 31a
Boston & Providence, guaranteed (quar.)	2½	Oct. 1	Holders of rec. Sept. 20a
Boston & Maine, common (quar.)	1	Oct. 1	Holders of rec. Aug. 31a
Boston Revere Beach & Lynn (quar.)	1½	Oct. 1	Holders of rec. Sept. 14a
Brazil Ry., pref. (quar.)	1½	Oct. 5	Oct. 1 to Oct. 5
Canadian Pacific, com. (quar.) (No. 65)	2½	Oct. 1	Sept. 1 to Oct. 2
Preferred	2	Oct. 1	Sept. 1 to Oct. 2
Central RR. of N. J. (quar.)	2	Nov. 1	Holders of rec. Oct. 21a
Chesapeake & Ohio (quar.)	1½	Sept. 30	Holders of rec. Sept. 6a
Chicago Burlington & Quincy (quar.)	2	Sept. 25	Holders of rec. Sept. 19a
Chicago & Eastern Illinois, pref. (quar.)	1½	Oct. 1	Holders of rec. Sept. 16a
Chicago & North Western, com. (quar.)	1½	Oct. 1	Holders of rec. Sept. 3a
Preferred (quar.)	2	Oct. 1	Holders of rec. Sept. 3a
Chicago Rock Isl. & Pacific Ry. (quar.)	1½	Sept. 30	Holders of rec. Sept. 13a
Clev. Cin. Chic. & St. L., pref. (quar.)	1½	Oct. 21	Holders of rec. Oct. 1
Fitchburg, preferred (quar.)	1½	Oct. 1	Sept. 2 to Sept. 10
Grand Trunk, guaranteed	2	-----	-----
First and second preference	2½	-----	-----
Great Northern (quar.)	1½	Nov. 1	Holders of rec. Oct. 17a
Hocking Valley (quar.)	1½	Sept. 30	Holders of rec. Sept. 20a
Interborough Rapid Transit (quar.)	2½	Oct. 1	Holders of rec. Sept. 12a
Joliet & Chicago (quar.)	1½	Oct. 7	Holders of rec. Sept. 27a
Kansas City Southern, pref. (quar.)	1	Oct. 15	Holders of rec. Sept. 30a
Lackawanna RR. of N. J. (quar.)	1	Oct. 1	Holders of rec. Sept. 9a
Maine Central (quar.)	1½	Oct. 1	Holders of rec. Sept. 16a
Manhattan Ry., guar. (quar.) (No. 114)	1½	Oct. 1	Holders of rec. Sept. 16a
Minn. St. P. & S.S.M. com. & pref. (No. 19)	3½	Oct. 15	Holders of rec. Sept. 20a
N. Y. Central & Hudson River (quar.)	1½	Oct. 15	Holders of rec. Sept. 20a
New York & Harlem, com. & pref.	2	Oct. 1	Holders of rec. Sept. 20a
N. Y. Lack. & West., guar. (quar.)	1½	Oct. 1	Holders of rec. Sept. 14a
N. Y. N. H. & Hartford (quar.)	2	Sept. 30	Holders of rec. Sept. 9a
Norfolk Southern (quar.)	1½	Oct. 1	Holders of rec. Sept. 14a
Norfolk & Western, adj. pref. (quar.)	1	Nov. 1	Holders of rec. Oct. 31a
Northern RR. of New Hampshire (quar.)	1½	Oct. 1	Holders of rec. Sept. 9a
Norwich & Worcester, pref. (quar.)	2	Oct. 1	Sept. 15 to Oct. 1
Old Colony (quar.)	1½	Oct. 1	Holders of rec. Sept. 14a
Philadelphia & Trenton (quar.)	2½	Oct. 10	Oct. 1 to Oct. 10
Pitts. urgh Bessemer & Lake Erie, com.	1½	Oct. 1	Holders of rec. Sept. 15
Pitts. Ft. W. & Chic., reg. guar. (quar.)	1½	Oct. 8	Sept. 15 to Oct. 8
Special guaranteed (quar.)	1½	Oct. 1	Sept. 15 to Oct. 1
Reading Company, 2d pref. (quar.)	1	Oct. 10	Holders of rec. Sept. 24a
St. Louis & San Francisco	-----	-----	-----
Chic. & E. Ill. pref. stk. tr. cts. (quar.)	1½	Oct. 1	Sept. 17 to Oct. 1
K. C. Ft. S. & M. pref. stk. tr. cts. (qu.)	1	Oct. 1	Sept. 17 to Oct. 1
St. Louis Southw., pref. (quar.) (No. 8)	1½	Oct. 15	Holders of rec. Oct. 8a
Southern Pacific (quar.) (No. 24)	1½	Oct. 1	Holders of rec. Sept. 9a
Southern Railway, preferred	2½	Oct. 28	Holders of rec. Oct. 5
Union Pacific, common (quar.)	2½	Oct. 1	Sept. 10 to Oct. 8
Preferred	2	Oct. 1	Sept. 10 to Oct. 8
Utica & Black River guar.	3½	Sept. 30	Holders of rec. Sept. 14a
West Jersey & Seashore	\$1.25	Oct. 1	Holders of rec. Sept. 14
Wisconsin Central, preferred	2	Oct. 1	Holders of rec.

Name of Company.	Per Cent.	When Payable.	Books Closed. Days Inclusive.	Name of Company.	Per Cent.	When Payable.	Books Closed. Days Inclusive.
Electric and Street Railways (Concluded).				Miscellaneous (Concluded).			
Philadelphia Co., com. (quar.) (No. 124)	1 1/4	Nov. 1	Holders of rec. Oct. 1	Detroit Edison (quar.)	1 1/4	Oct. 15	Holders of rec. Sept. 30a
Philadelphia Traction	\$2	Oct. 1	Holders of rec. Sept. 17	Distillers' Securities Corp. (qu.) (No. 40)	1 1/2	Oct. 31	Sept. 26 to Oct. 16
Porto Rico Rys., Ltd., com. (quar.)	1	Oct. 1	Holders of rec. Sept. 21	Distilling Company of America, pref. (qu.)	1	Oct. 30	Sept. 26 to Oct. 16
Preferred (quar.)	1 1/4	Oct. 1	Holders of rec. Sept. 21	Dom. Steel Corp., Ltd., com. (qu.) (No. 6)	1	Oct. 1	Holders of rec. Sept. 18
Public Service Corp. of N. J. (quar.)	1 1/4	Sept. 30	Sept. 29 to Sept. 30	duPont (E. I.) de Nemours Pow., pf. (qu.)	1 1/4	Oct. 25	Oct. 16 to Oct. 25
Puget Sound Trac., L. & P., com. (quar.)	1	Oct. 15	Holders of rec. Oct. 5a	du Pont Internat. Powder, pref. (quar.)	1 1/4	Oct. 1	Holders of rec. Sept. 20a
Preferred (quar.)	1 1/4	Oct. 15	Holders of rec. Oct. 5a	Preferred (extra)	1 1/4	Oct. 1	Holders of rec. Sept. 20a
Republic Ry. & L., pref. (quar.) (No. 5)	1 1/4	Oct. 15	Holders of rec. Sept. 30	Eastern Light & Fuel (quar.)	2	Oct. 1	September 19
Ridge Ave. Pass. Ry., Phila. (quar.)	\$3	Oct. 1	Holders of rec. Sept. 16	Eastman Kodak, common (quar.)	2 1/4	Oct. 1	Holders of rec. Aug. 31a
St. Jos. Ry., L. & P., pf. (qu.) (No. 40)	1 1/4	Oct. 1	Holders of rec. Sept. 14a	Common (extra)	10	Oct. 1	Holders of rec. Aug. 31a
Sao Paulo Tram., L. & P. (spec.) (No. 42)	5-6	Oct. 1	Holders of rec. Aug. 31	Preferred (quar.)	1 1/4	Oct. 1	Holders of rec. Aug. 31a
Second & Third Sts. Pass., Phila. (quar.)	\$3	Oct. 1	Holders of rec. Sept. 2a	Electrical Securities Corp., com. (quar.)	2	Sept. 28	Holders of rec. Sept. 28a
South Side Elev. Ry., Chic. (quar.)	1 1/4	Sept. 30	Sept. 21 to Sept. 30	Preferred (quar.)	1 1/4	Nov. 1	Oct. 27 to Nov. 13
Terre Haute Ind. & East. Trac., pref. (qu.)	1 1/4	Oct. 1	Sept. 22 to Oct. 1	Electric Storage Battery, com. & pref. (qu.)	1	Oct. 1	Holders of rec. Sept. 23
Tidewater Pow. Co., Wilmington, N.C., com.	3	Oct. 1	Sept. 22 to Oct. 1	Galena-Signal Oil, common (quar.)	4	Sept. 30	Sept. 1 to Sept. 17
Common (extra)	1	Oct. 1	Sept. 22 to Oct. 1	Preferred (quar.)	2	Sept. 30	Sept. 1 to Sept. 17
Toronto Railway (quar.)	2	Oct. 1	Holders of rec. Sept. 16	General Baking, pref. (No. 3)	1 1/4	Oct. 1	Holders of rec. Sept. 21
Tri-City Ry. & L., pref. (quar.)	1 1/4	Oct. 1	Holders of rec. Sept. 20	General Chemical, preferred (quar.)	1 1/4	Oct. 1	Holders of rec. Sept. 19a
Twia City Rapid Transit, com. (quar.)	1 1/4	Oct. 1	Holders of rec. Sept. 16	General Chemical of Calif., 1st pf. (qu.)	1 1/4	Oct. 1	Holders of rec. Sept. 20
Preferred (quar.)	1 1/4	Oct. 1	Holders of rec. Sept. 16	General Electric (quar.)	2	Oct. 15	Holders of rec. Sept. 7a
United Traction & Electric, Prov. (quar.)	1 1/4	Oct. 1	Sept. 15 to Sept. 17	Goldfield Consolidated Mines (quar.)	30c	Oct. 31	Holders of rec. Sept. 30a
Wash. Balt. & Annapolis Elec., pf. (No. 1)	1 1/4	Oct. 1	Holders of rec. Sept. 24	Goodrich (B. F.) Co., preferred (quar.)	1 1/4	Oct. 1	Holders of rec. Sept. 20a
Wash. Water Pow., Spokane (quar.)	2	Oct. 1	Holders of rec. Sept. 15a	Great Lakes Towing, pref. (quar.)	1 1/4	Oct. 1	Sept. 17 to Oct. 1
West End Street Ry., Boston, common	\$1.75	Oct. 1	Sept. 22 to Oct. 1	Guggenheim Exploration (quar.) (No. 39)	62 1/4c	Oct. 1	Sept. 14 to Sept. 18
Western Ohio Ry., 1st pref. (quar.)	1 1/4	Oct. 1	Holders of rec. Sept. 24a	Harrison Bros. & Co., Inc., pref. (quar.)	1	Oct. 1	Sept. 26 to Oct. 1
Second preferred (quar.)	1 1/4	Oct. 1	Holders of rec. Sept. 24a	Hart, Schaffner & Marx, pref. (quar.)	1 1/4	Sept. 30	Holders of rec. Sept. 20a
West India Elec. Co., Ltd. (qu.) (No. 19)	1 1/4	Oct. 1	Sept. 24 to Oct. 1	Helme (George W.) Co., common (quar.)	2 1/4	Oct. 1	Holders of rec. Sept. 14a
Banks.				Preferred (quar.)	1 1/4	Oct. 1	Holders of rec. Sept. 14a
Century (quar.)	3	Oct. 1	Sept. 25 to Oct. 1	Homestake Mining (monthly) (No. 454)	50c	Sept. 25	Sept. 21 to Sept. 25
Chatham & Phenix National (quar.)	2	Oct. 1	Sept. 21 to Sept. 30	Indiana Lighting	1	Oct. 1	Sept. 21 to Sept. 30
Coal & Iron National (quar.)	1 1/4	Oct. 1	Holders of rec. Sept. 11	Intercontinental Rubber, pref. (quar.)	1 1/4	Sept. 30	Holders of rec. Sept. 20a
Commerce, Nat. Bank of, (quar.)	2	Oct. 1	Sept. 21 to Oct. 1	Internat. Harvester, com. (quar.) (No. 11)	1 1/4	Oct. 15	Holders of rec. Sept. 25a
First National, Bklyn. (quar.)	2	Oct. 1	Holders of rec. Sept. 20	International Nickel, com. (quar.)	2	Dec. 2	Nov. 14 to Dec. 2
Hanover National (quar.)	4	Oct. 1	Sept. 21 to Sept. 30	Preferred (quar.)	1 1/4	Nov. 1	Oct. 15 to Nov. 1
Manufacturers National, Bklyn. (quar.)	5	Oct. 1	Sept. 17 to Sept. 30	International Silver, preferred (quar.)	1 1/4	Oct. 1	Sept. 18 to Oct. 1
Metropolitan (quar.)	2	Oct. 1	Sept. 17 to Sept. 30	Preferred (account accum. dividends)	e 1/4	Oct. 1	Sept. 18 to Oct. 1
Mount Morris (quar.) (No. 51)	3	Oct. 1	Sept. 21 to Sept. 30	Preferred (account accum. dividends)	e 1	Nov. 15	Nov. 2 to Nov. 15
Nassau National, Bklyn. (quar.)	2 1/4	Oct. 1	Sept. 27 to Sept. 30	Intern. Smokeless Pow. & Chem., com. (qu.)	1 1/4	Oct. 1	Holders of rec. Sept. 20a
New Netherlands	3	Oct. 1	Holders of rec. Sept. 30a	Common (extra)	1	Oct. 1	Holders of rec. Sept. 20a
Prospect Park, Bklyn. (quar.)	1 1/4	Oct. 1	Sept. 28 to Sept. 30	Preferred	4	Nov. 15	Holders of rec. Nov. 5a
Seaboard National (quar.)	3	Oct. 1	Holders of rec. Sept. 25	Kansas Gas & Elec., pref. (quar.) (No. 10)	1 1/4	Oct. 1	Sept. 24 to Sept. 30
Trust Companies				Kayser (Julius) & Co., common (quar.)	1	Oct. 1	Sept. 21 to Sept. 30
Bankers (quar.)	5	Oct. 1	Holders of rec. Sept. 26a	Kleberbocker Ice, pref. (No. 27)	3	Oct. 1	Holders of rec. Sept. 20
Brooklyn (quar.)	5	Oct. 1	Holders of rec. Sept. 20a	Kob Bakery, preferred (No. 3)	1 1/4	Oct. 1	Holders of rec. Sept. 21
Columbia-Kleberbocker (quar.)	5	Sept. 30	Holders of rec. Sept. 23a	La Belle Iron Works (quar.)	2 1/4	Sept. 30	Sept. 21 to Sept. 30
Empire (quar.)	2 1/4	Sept. 30	Holders of rec. Sept. 23	La Rose Consolidated Mines (quar.)	2 1/4	Oct. 1	Oct. 1 to Oct. 17
Guaranty (quar.)	8	Sept. 30	Holders of rec. Sept. 30a	Lanston Monotype Machine (quar.)	1 1/4	Sept. 30	Holders of rec. Sept. 23
Extra	2	Sept. 30	Holders of rec. Sept. 30a	Lawyers Mortgage (quar.) (No. 44)	3	Oct. 1	Holders of rec. Sept. 23
Lawyers' Tit. Ins. & Tr. (quar.) (No. 56)	3	Oct. 1	Sept. 15 to Oct. 1	Liggett & Myers Tobacco, pref. (quar.)	1 1/4	Oct. 1	Holders of rec. Sept. 16a
Long Island Loan & Trust, Bklyn. (quar.)	3	Oct. 1	Holders of rec. Sept. 21a	Lorillard (P.) common (quar.)	2 1/4	Oct. 1	Holders of rec. Sept. 14a
Mechanics' of N. J. (quar.) (No. 53)	5	Oct. 1	Sept. 28 to Oct. 1	Preferred (quar.)	1 1/4	Oct. 1	Holders of rec. Sept. 14a
Metropolitan (quar.) (No. 63)	6	Sept. 30	Sept. 21 to Sept. 30	Loose-Wiles Biscuit, 1st pref. (qu.) (No. 2)	1 1/4	Oct. 1	Sept. 21 to Oct. 1
Mutual Alliance (quar.)	1 1/4	Oct. 1	Sept. 26 to Sept. 30	Second preferred (quar.) (No. 2)	1 1/4	Nov. 1	Oct. 16 to Nov. 1
Mutual of Westchester County (quar.)	1 1/4	Oct. 1	Holders of rec. Sept. 30a	MacAndrews & Forbes, com. (quar.)	2 1/4	Oct. 15	Holders of rec. Sept. 30
New York (quar.)	8	Sept. 30	Sept. 22 to Sept. 30	Preferred (quar.)	1 1/4	Oct. 15	Holders of rec. Sept. 30
Standard (quar.)	4	Sept. 30	Holders of rec. Sept. 25a	Mackay Companies, com. (qu.) (No. 29)	1 1/4	Oct. 1	Holders of rec. Sept. 11a
Title Guarantee & Trust (quar.)	5	Sept. 30	Holders of rec. Sept. 21	Preferred (quar.) (No. 35)	1	Oct. 1	Holders of rec. Sept. 11a
Washington (quar.)	4	Oct. 1	Holders of rec. Sept. 24	Manhattan Shirt, pref. (quar.) (No. 1)	1 1/4	Oct. 1	Holders of rec. Sept. 16a
Miscellaneous				Manning, Maxwell & Moore, Inc.	1 1/4	Sept. 30	Holders of rec. Sept. 30
Aetolian, Weber Piano & Pianola, pf. (qu.)	1 1/4	Sept. 30	Holders of rec. Sept. 25	Massachusetts Lighting Cos. (qu.) (No. 36)	1 1/4	Oct. 15	Holders of rec. Sept. 15a
Amer. Agric. Chem., com. (quar.) (No. 4)	1	Oct. 1	Holders of rec. Sept. 27a	May Department Stores, pref. (quar.)	1 1/4	Oct. 1	Holders of rec. Sept. 16a
Preferred (quar.) (No. 29)	1 1/4	Oct. 15	Holders of rec. Sept. 27a	Massachusetts Gas Cos., com. (quar.)	\$1	Nov. 1	Holders of rec. Oct. 14
American Bank Note, pref. (quar.)	1 1/4	Oct. 1	Sept. 17 to Oct. 1	Mergenthaler Linotype (quar.)	2 1/4	Sept. 30	Holders of rec. Sept. 7a
Amer. Beet Sugar, pref. (quar.) (No. 53)	1 1/4	Oct. 1	Holders of rec. Sept. 20a	Extra	1 1/4	Sept. 30	Holders of rec. Sept. 7a
Amer. Brake Shoe & Fdy., com. & pf. (qu.)	1 1/4	Sept. 30	Holders of rec. Sept. 20a	Michigan Light, pref. (quar.)	1 1/4	Oct. 1	Holders of rec. Sept. 23a
American Can, preferred (quar.)	1 1/4	Oct. 1	Holders of rec. Sept. 17a	National Biscuit, com. (quar.) (No. 57)	1 1/4	Oct. 15	Holders of rec. Sept. 28a
Amer. Car & Fdy., com. (qu.) (No. 40)	1 1/4	Oct. 1	Holders of rec. Sept. 12a	Nat. Enam. & Stamp, pref. (quar.)	1 1/4	Sept. 30	Holders of rec. Sept. 10a
Preferred (quar.) (No. 54)	1 1/4	Oct. 1	Holders of rec. Sept. 12a	Nat. Gas. Elec. L. & P., pref. (quar.)	1 1/4	Oct. 1	Sept. 26 to Sept. 30
American Cigar, preferred (quar.)	1 1/4	Oct. 1	Holders of rec. Sept. 16a	National Lead, com. (quar.)	1 1/4	Sept. 30	Sept. 14 to Sept. 17
Amer. Coal Products, com. (quar.)	1 1/4	Oct. 1	Holders of rec. Sept. 25a	National Licores, pref. (quar.) (No. 41)	1 1/4	Sept. 30	Sept. 24 to Sept. 30
American Express (quar.)	\$3	Oct. 1	Holders of rec. Aug. 31a	National Sugar Refining, pref. (quar.)	1 1/4	Oct. 1	Holders of rec. Sept. 21
Amer. Gas & Elec., com. (qu.) (No. 10)	1 1/4	Oct. 1	Sept. 21 to Oct. 1	National Surety (quar.)	3	Oct. 1	Sept. 21 to Sept. 30
Preferred (quar.) (No. 23)	1 1/4	Nov. 1	Oct. 18 to Nov. 1	Nevada Consolidated Copper (quar.)	37 1/4c	Sept. 30	Sept. 7 to Sept. 11
Amer. Iron & Steel Mfg., com. & pf. (qu.)	1 1/4	Oct. 1	Holders of rec. Sept. 20a	New England Telep. & Teleg. (quar.)	1 1/4	Sept. 30	Holders of rec. Sept. 10a
American Locomotive, preferred (quar.)	1 1/4	Oct. 21	Sept. 22 to Oct. 20	N. Y. Mortgage & Security (quar.)	\$10	Oct. 1	Holders of rec. Sept. 21
American Manufacturing (quar.) (No. 31)	1 1/4	Oct. 1	Holders of rec. Sept. 16	New York Transit (quar.)	1	Oct. 15	Holders of rec. Sept. 21
American Piano, pref. (quar.)	1 1/4	Oct. 1	Sept. 13 to Oct. 1	Nine Bay Co., preferred (quar.)	5	Oct. 15	Holders of rec. Sept. 28
American Pipe & Construction (quar.)	2	Oct. 1	Holders of rec. Sept. 14	Nimissing Mines (quar.)	1	Oct. 21	Oct. 1 to Oct. 17
Amer. Pneumatic Service, 1st pref.	3 1/4	Sept. 30	Sept. 6 to Sept. 30	Extra	2 1/4	Oct. 21	Oct. 1 to Oct. 17
Second preferred	1	Sept. 30	Sept. 6 to Sept. 30	North American Co. (quar.) (No. 34)	1 1/4	Oct. 1	Holders of rec. Sept. 16a
Amer. Public Utilities, common (quar.)	1 1/4	Oct. 1	Sept. 21 to Sept. 30	Otis Elevator, common (quar.)	1	Oct. 15	Holders of rec. Sept. 30a
Preferred (quar.)	1 1/4	Oct. 1	Sept. 21 to Sept. 30	Preferred (quar.)	1 1/4	Oct. 15	Holders of rec. Sept. 30a
American Radiator, common (quar.)	2	Sept. 30	Sept. 22 to Sept. 30	Pettibone, Multiken & Co., 1st & 2d pf. (qu.)	1 1/4	Oct. 1	Holders of rec. Sept. 17
Amer. P. & L. Light, pref. (quar.) (No. 12)	1 1/4	Oct. 1	Sept. 26 to Sept. 30	Phelps, Dodge & Co., Inc. (quar.)	2 1/4	Sept. 27	Holders of rec. Sept. 16a
American Screw (quar.)	2 1/4	Sept. 30	Holders of rec. Sept. 23a	Pittsburgh Plate Glass, common (quar.)	1 1/4	Oct. 1	Sept. 15 to Oct. 1
American Shipbuilding, pref. (quar.)	1 1/4	Oct. 15	Holders of rec. Sept. 14a	Prairie Oil & Gas (quar.)	6	Sept. 28	Holders of rec. Aug. 31a
Am. Smelters Secur., pf. A (qu.) (No. 31)	1 1/4	Oct. 1	Sept. 21 to Sept. 29	Procter & Gamble, pref. (quar.)	2	Oct. 15	Sept. 22 to Oct. 15
Preferred B (quar.) (No. 30)	1 1/4	Oct. 1	Sept. 21 to Sept. 29	Producers Oil (quar.)	1 1/4	Sept. 30	Holders of rec. Sept. 14
American Snuff, common (quar.)	3	Oct. 1	Holders of rec. Sept. 14a	Quaker Oats, common (quar.)	2 1/4	Oct. 15	Holders of rec. Oct. 1a
Common (extra)	1	Oct. 1	Holders of rec. Sept. 14a	Preferred (quar.)	1 1/4	Nov. 30	Holders of rec. Nov. 1a
American Sugar Refining, com. & pf. (qu.)	1 1/4	Oct. 1	Holders of rec. Sept. 3a	Quincy Mining (quar.)	\$1.25	Sept. 23	Holders of rec. Aug. 28
American Surety (quar.) (No. 93)	3	Sept. 30	Sept. 15 to Sept. 30	Royal Baking Powder, common (quar.)	3	Sept. 30	Holders of rec. Sept. 16a
Amer. Telep. & Teleg. (quar.)	2	Oct. 15	Holders of rec. Sept. 30a	Preferred (quar.)	1 1/4	Sept. 30	Holders of rec. Sept. 16a
American Tobacco, preferred (quar.)	1 1/4	Oct. 1	Holders of rec. Sept. 14a	Rumely (M.) Co., pref. (quar.)	1 1/4	Oct. 1	Sept. 21 to Sept. 30
American Type Founders, com. (quar.)	1	Oct. 15	Holders of rec. Oct. 10a	Safety Car Heating & Lighting (quar.)	2	Oct. 1	Holders of rec. Sept. 16a
Preferred (quar.)	1 1/4	Oct. 15	Holders of rec. Oct. 10a	Sears, Roebuck & Co., preferred (quar.)	1 1/4	Oct. 1	Holders of rec. Sept. 14a
Am. Wat. Wks. & Guar., pf. (qu.) (No. 2)	1 1/4	Oct. 1	Sept. 17 to Oct. 1	Shawinigan Water & Power (quar.)	1 1/4	Oct. 15	Holders of rec. Oct. 7
American Woolen, pref. (quar.) (No. 54)	1 1/4	Oct. 15	Sept. 24 to Oct. 3	Shoss-Sheffield Steel & Iron, pref. (quar.)	1 1/4	Oct. 1	Holders of rec. Sept. 17a
American Writing Paper, preferred	1	Oct. 1	Holders of rec. Sept. 14a	South Porto Rico Sugar, com. (quar.)	1	Oct. 1	Holders of rec. Sept. 14a
Bell Telephone of Canada, Ltd., (quar.)	2	Oct. 15	Holders of rec. Sept. 25	Preferred (quar.)	2	Oct. 1	Holders of rec. Sept. 14a
Booth Fisheries, preferred (quar.)	1 1/4	Oct. 1	Sept. 15 to Sept. 30	Southwest Pennsylvania Pipe Lines	\$5	Oct. 1	Holders of rec. Sept. 16
British-American Tobacco, Ltd.	6	Sept. 30	See note m	Spring Valley Water (quar.)	50c	Sept. 30	Sept. 17 to Sept. 30
British Columbia Cop., Ltd. (qu.) (No. 5)	3	Oct. 15	Holders of rec. Oct. 1	Subway Realty (quar.)	1 1/4	Oct. 1	Holders of rec. Sept. 12a
Brooklyn Union Gas (quar.) (No. 46)	1 1/4	Oct. 1	Sept. 15 to Sept. 30	Sulzberger & Sons, preferred (quar.)	1 1/4	Oct. 1	Sept. 17 to Sept. 30
Brunswick-Ba'ke-Collender, pref. (quar.)	1 1/4	Oct. 1	Holders of rec. Sept. 21a	Swift & Co. (quar.) (No. 104)	1 1/4	Sept. 30	Holders of rec. Sept. 14
Buffalo General Electric (quar.) (No. 72)	1 1/4	Sept. 30	Holders of rec. Sept. 20	Texas Company (quar.)	1 1/4	Sept. 30	Holders of rec. Sept. 14a
Bulle Electric & Power, com. (qu.) (No. 32)	1 1/4	Oct. 1	Holders of rec. Sept. 20a	Underwood Typewriter, common (quar.)	1	Oct. 1	Holders of rec. Sept. 20a
California Elec. Generating, pref. (quar.)	1 1/4	Oct. 1	Holders of rec. Sept. 20a	Preferred (quar.)	1 1/4	Oct. 1	Holders of rec. Sept. 20a
Calumet & Hecla Mining (quar.)	\$12	Sept. 20	Holders of rec. Aug. 22	Union Bag & Paper, pref. (quar.) (No. 54)	1	Oct. 15	Holders of rec. Sept. 30a
Cambria Iron	2	Oct. 1	Holders of rec. Sept. 14a	Union Carbide (quar.)	2 1/4	Oct. 1	Sept. 21 to Sept. 30
Canadian Cons. Rubber, Ltd., pref. (quar.)	1 1/4	Oct. 1	Holders of rec. Sept. 21	Union Switch & Signal, com. & pf. (quar.)	3	Oct. 1	Holders of rec. Oct. 1
Canadian General Elec., Ltd., com. (qu.)	1 1/4	Oct. 1	Sept. 16 to Sept. 30	Union Typewriter, 1st pref. (quar.)	1 1/4	Oct. 1	Holders of rec. Sept. 20
Preferred	3 1/4	Oct. 1	Sept. 16 to Sept. 30	Second preferred (quar.)	2	Oct. 1	Holders of rec. Sept. 20
Can. Westinghouse, Ltd. (qu.) (No. 31)	1 1/4	Oct. 10	Oct. 1 to Oct. 9	United Fruit (quar.) (No. 53)	2	Oct. 15	Holders of rec. Sept. 14a
Case (J. I.) Threshing Mach., pref. (quar.)	1 1/4	Oct. 1	Holders of rec. Sept. 18	United Gas & Electric Corp., preferred	(m)	Oct. 1	Holders of rec. Sept. 12
Celluloid Company (quar.)	1 1/4	Sept. 30	Holders of rec. Sept. 16a	United Gas Improvement (quar.)	\$1	Oct. 15	Holders of rec. Sept. 30
Central Coal & Coke, com. (quar.)	1 1/4	Oct. 15	Oct. 1 to Oct. 15	United Shoe Machinery, common (quar.)	50c	Oct. 5	Holders of rec. Sept. 17
Preferred (quar.)	1 1/4	Oct. 15	Oct. 1 to Oct. 15	Preferred (quar.)	37 1/4c	Oct. 5	Holders of rec. Sept. 17
Central Leather, preferred (quar.)	1 1/4	Oct. 1	Holders of rec. Sept. 10a	U. S. Printing of N. J., com. (quar.)	1 1/4	Oct. 1	Sept. 21 to Oct. 1
Central States Elec. Corp., pf. (qu.) (No. 1)	1 1/4	Oct. 1	Holders of rec. Sept. 10	U. S			

Auction Sales.—Among other securities, the following, not usually dealt in at the Stock Exchange, were recently sold at auction in New York, Boston and Philadelphia:

By Messrs. Adrian H. Muller & Sons, New York:

Shares.	Per cent.	Shares.	Per cent.
53 Continental Cot. Oil Co., pf. 24		13 National City Bank.....	440%
63 Continental Cot. Oil Co., com. 3		120 Mfrs. Commercial Co., com. \$6,705	
350 Brander Cotton Mills Corp.		149 Mfrs. Commercial Co., pf. 1	
(Concord, N. C.).....	\$8,000	23 Mfrs. Commercial Co. pf. 1	\$1,035
300 Armstrong Cork Co., com.			
mon rights.....	57c. per sh.	Bonds.	Per cent.
85 Zucker & Levett & Loeb Co. }		\$10,000 Waldorf Mg. & Mill. Co.	
89 Conn. Dynamo & M. Co. }	\$25 lot	1st ser. A, 8s.....	\$1,000 lot
\$1,215 Notes of Conn. D. & M. Co. }		\$4,000 2d Ave. RR. 1st cons. 5s,	
		1948 (ctf. dep.).....	40

By Messrs. Francis Henshaw & Co., Boston:

Shares.	\$ per sh.	Shares.	\$ per sh.
20 Narragansett Mills (Fall River).....	122	4 Cambridge Elec. Securities Co.	301
6 Suncook Valley RR. Co.	50	3 Springfield Gas-L. Co. rights.....	9%
10 Concord & Mont. RR., class 4,		75 Lowell Elec. Lt. Corp. rights.....	51c
ex-dividend.....	137%	24 Merrimack Mfg. Co., common.....	40%

By Messrs. R. L. Day & Co., Boston:

Shares.	\$ per sh.	Bonds.	Per cent.
2 State National Bank.....	176	\$2,000 Schenectady Ry. Co. 1st	
4 Central Vermont Ry.....	8%	4 1/8s, 1941.....	103%
15 Haverhill Electric Co. rights.....	16-16 1/4	\$500 Gulf Beaumont & K. C. Ry.	
5 Springfield Gas-L. Co. rights.....	9%	1st 6s, 1913.....	99%
		\$10,000 Bos. & Me. RR. 3 1/4s, 1923	91%

By Messrs. Barnes & Lofland, Philadelphia:

Shares.	\$ per sh.	Shares.	\$ per sh.
10 Northern Trust Co.....	450	50 Phila. Life Ins. Co. (\$10 each).....	10 1/2
20 Girard National Bank.....	415	8 Phila. Bourse, com. (\$50 each).....	4 1/4
12 Fassett Lumber Co.....	92 1/2	10 Federal Health & Accident Co.	
2 West Phila. Title & Tr. Co.		(\$10 each).....	15
(\$50 each).....	133	Bonds.	Per cent.
10 Nat. Bank of Germantown		\$1,000 Buff. & Lake E. Trac. Co.	
(\$50 each).....	140	1st ref. 5s, 1936.....	68
10 Pennsy. Co. for Ins., &c., &c.	651	\$1,100 Springfield Wat. Co. 5s, 1926	99
5 Manufacturers' Nat. Bank.....	131 1/4	\$1,000 Nor. Spring. Wat. Co. 5s, 1928	99
4 Nat. Bank of Nor. Liberties.....	250	\$35,000 Amer. Union Teleph. Co.	
7 Finance Co. of Pa., 1st pf.	115 1/2-116	1st 5s, 1957.....	\$1,075 lot
20 Guar. Tr. Co. (Atlan. City).....	225	\$15,000 Consol. Teleph. Cos. of Pa.	
2 Mutual Tr. Co. (\$50 each).....	44	1st 5s, 1931.....	\$3,050 lot
10 Phila. Trust S. D. & I. Co.	736	\$7,000 United Tel. & Tel. Co. 1st	
13 Delaware Ins. Co. (\$10 each).....	11 1/2	5s, 1931.....	\$600 lot
3 2d & 3d Streets Pass. Ry.....	250	\$1,000 Cumberland Val. Teleph. Co.	
2 Continental Pass. Ry.....	126	1st 5s, 1932.....	18
15 Easton Consol. Elec. Co., com.	18	\$1,000 Leavenworth Light, Heat &	
25 Riverside Trac. Co., common.....	15	Power Co. 1st 5s, 1923.....	93
13 John B. Stetson Co., common.....	460	\$1,000 Decatur Ry. & Lt. Co. 1st	
100 Amer. Pipe & Construc. Co. 87-87 1/2		5s, 1933.....	94 1/2
3 J. G. Brill Co., pref.....	103	\$1,000 York Haven Water & Power	
12 American Meter Co.....	115	Co. 1st 5s, 1951.....	80

By Messrs. Samuel T. Freeman & Co., Philadelphia:

Shares.	\$ per sh.	Bonds.	Per cent.
10 Federal Health & Accident Co.		\$1,000 Springf. Wat. Co. 5s, 1926.....	99
(\$10 each).....	15	\$1,000 Philadelphia 3s, 1930.....	89 1/2
		\$500 Nor. Spring. Wat. Co. 5s, 1928	99

Statement of New York City Clearing-House Banks and Trust Companies.—The detailed statement below shows the condition of the New York City Clearing-House members for the week ending Sept. 14. The figures for the separate banks are the averages of the daily results. In the case of the totals, actual figures at the end of the week are also given. For definitions and rules under which the various items are made up, see "Chronicle," V. 85, p. 836, in the case of the banks, and V. 92, p. 1607, in the case of the trust companies.

DETAILED RETURNS OF BANKS.
We omit two ciphers (00) in all cases.

Banks 00s omitted.	Capital.	Surplus.	Loans. Average.	Specie. Average.	Legals. Average.	Net Depos- its, Aver.	Re- serve.
Bank of N. Y.	2,000.0	3,842.0	21,164.0	4,095.0	762.0	18,931.0	25.6
Manhattan Co.	2,050.0	4,685.0	34,350.0	8,122.0	1,445.0	38,700.0	24.7
Merchants	2,000.0	1,990.0	20,252.0	4,286.0	1,088.0	20,651.0	26.0
Mech. & Met.	6,000.0	8,640.5	57,239.0	11,703.0	1,600.0	54,874.0	24.2
America	1,500.0	6,324.7	24,207.0	4,022.0	1,933.0	23,534.0	25.3
City	25,000.0	29,540.7	188,207.0	35,557.0	6,740.0	178,098.0	23.7
Chemical	3,000.0	7,134.2	28,925.0	4,215.0	2,268.0	25,685.0	25.2
Merchants' Ex.	600.0	515.9	7,027.0	1,666.0	125.0	7,201.0	24.8
Butch. & Drov.	300.0	127.1	2,148.0	396.0	57.0	1,927.0	23.4
Greenwich	500.0	944.9	8,236.0	2,154.0	160.0	9,244.0	25.0
Am. Exch.	5,000.0	4,766.2	41,075.0	9,137.0	974.0	39,337.0	25.7
Commerce	25,000.0	16,157.5	137,487.0	18,534.0	10,173.0	114,137.0	25.1
Pacific	500.0	946.2	4,704.0	448.0	558.0	4,304.0	23.3
Chat. & Phen.	2,250.0	1,243.0	18,225.0	2,972.0	1,652.0	18,501.0	25.0
People's	200.0	470.7	2,166.0	362.0	142.0	2,083.0	24.1
Hanover	3,000.0	13,471.3	73,509.0	15,049.0	6,072.0	81,706.0	25.8
Citizens Cent.	2,550.0	2,139.1	22,810.0	4,918.0	626.0	21,611.0	25.6
Nassau	1,000.0	485.0	10,770.0	1,978.0	1,171.0	12,329.0	25.5
Market & Fult.	1,000.0	1,871.3	9,440.0	1,260.0	1,161.0	9,436.0	25.6
Metropolitan	2,000.0	1,684.0	13,920.0	3,512.0	251.0	14,769.0	25.4
Corn Exch.	3,000.0	5,689.8	49,168.0	8,566.0	5,457.0	57,505.0	24.3
Imp. & Traders	1,500.0	7,661.1	26,115.0	4,119.0	2,185.0	23,844.0	26.4
Park	5,000.0	13,313.0	86,798.0	21,463.0	1,763.0	90,740.0	25.5
East River	250.0	68.1	1,552.0	226.0	123.0	1,498.0	23.3
Fourth	5,000.0	5,821.2	34,140.0	7,552.0	1,900.0	35,684.0	26.4
Second	1,000.0	2,469.0	14,053.0	3,260.0	162.0	13,521.0	25.3
First	10,000.0	21,582.3	109,513.0	20,038.0	4,100.0	98,011.0	24.6
Irving	4,000.0	3,131.7	37,719.0	7,192.0	2,703.0	39,110.0	25.2
Bowery	250.0	795.2	3,426.0	840.0	86.0	3,616.0	25.6
N. Y. County	500.0	1,836.9	8,314.0	1,480.0	740.0	8,484.0	26.1
German-Amer	750.0	726.5	4,133.0	750.0	236.0	3,861.0	25.5
Chase	5,000.0	9,359.0	90,821.0	20,911.0	5,188.0	101,885.0	25.6
Fifth Avenue	100.0	2,214.1	13,158.0	2,693.0	1,149.0	15,000.0	25.6
German Exch.	200.0	838.1	3,608.0	570.0	358.0	3,640.0	25.6
Germania	200.0	1,044.2	5,647.0	1,354.0	254.0	6,531.0	24.6
Lincoln	1,000.0	1,773.9	16,258.0	3,243.0	822.0	16,757.0	24.2
Garfield	1,000.0	1,270.8	8,942.0	1,765.0	277.0	8,780.0	23.2
Fifth	250.0	524.5	3,424.0	586.0	317.0	3,647.0	24.7
Metropolis	1,000.0	2,161.2	11,612.0	924.0	1,806.0	11,108.0	24.5
West Side	200.0	1,006.7	4,220.0	982.0	255.0	4,837.0	25.5
Seaboard	1,000.0	2,226.2	26,250.0	5,551.0	2,558.0	31,098.0	26.0
Liberty	1,000.0	2,725.2	22,500.0	4,819.0	1,183.0	24,265.0	24.7
N. Y. Prod. Ex.	1,000.0	833.6	9,218.0	2,322.0	441.0	10,905.0	25.3
State	1,000.0	743.2	16,666.0	5,065.0	361.0	21,623.0	25.0
Security	1,000.0	418.5	10,622.0	2,644.0	905.0	14,218.0	25.0
Coal & Iron	1,000.0	507.3	6,321.0	1,082.0	529.0	6,435.0	25.0
Union Exch.	1,000.0	967.3	8,991.0	1,812.0	360.0	8,843.0	24.5
Nassau, Bklyn	1,000.0	1,119.9	7,522.0	1,323.0	260.0	6,272.0	25.2
Totals, avge..	133,650.0	199,809.9	1,366,572.0	267,518.0	75,436.0	1,368,560.0	25.0
Actual figures	Sept. 14.		1,354,497.0	265,771.0	75,848.0	1,354,321.0	25.2

Circulation.—On the basis of averages, circulation of national banks in the Clearing House amounted to \$46,088,000, and according to actual figures was \$46,272,000.

DETAILED RETURNS OF TRUST COMPANIES

Trust Cos. 00s omitted.	Surplus.	Loans. Average.	Specie. Average.	Legals. Average.	On Dep. with C.H. Banks.	Net Deposits. Average.	Reserve
	\$	\$	\$	\$	\$	\$	%
Brooklyn	2,432.1	18,461.0	1,475.0	753.0	1,419.0	14,265.0	15.6+ 8.8
Bankers	15,672.9	155,236.0	17,956.0	31.0	13,010.0	116,357.0	15.4+ 10.0
U.S. Mtg. & Tr.	4,567.4	48,928.0	4,818.0	620.0	4,891.0	36,244.0	15.0+ 11.6
Astor	1,279.1	20,388.0	2,088.0	20.0	1,648.0	15,245.0	13.8+ 9.2
Title Guar. & T.	12,095.9	33,919.0	1,697.0	1,499.0	2,532.0	21,193.0	15.0+ 10.5
Fidelity	22,671.4	161,476.0	16,380.0	933.0	15,257.0	115,152.0	15.0+ 11.6
Guaranty	1,303.4	7,726.0	740.0	231.0	789.0	6,177.0	15.7+ 10.6
Lawyers T.I. & T.	6,273.6	19,534.0	1,230.0	1,014.0	1,624.0	14,847.0	15.0+ 9.8
Colum.-Knicker	7,079.8	48,609.0	5,204.0	830.0	4,544.0	40,216.0	15.0+ 10.0
Standard	1,389.6	14,996.0	2,091.0	14.0	1,657.0	13,552.0	15.5+ 10.8
People's	1,710.0	17,760.0	1,881.0	438.0	1,884.0	15,603.0	14.8+ 10.5
New York	11,682.5	42,708.0	4,321.0	235.0	3,252.0	29,604.0	15.3+ 9.8
Franklin	1,326.3	10,447.0	1,215.0	351.0	1,075.0	10,098.0	15.5+ 9.5
Lincoln	557.1	11,065.0	1,357.0	225.0	1,099.0	10,346.0	15.2+ 9.8
Metropolitan	6,111.5	24,304.0	2,525.0	9.0	1,328.0	16,826.0	15.0+ 12.1
Broadway	571.0	8,674.0	988.0	335.0	989.0	8,583.0	15.4+ 10.0
Totals, Avge..	96,723.6	644,231.0	65,966.0	7,538.0	57,998.0	484,308.0	15.1+ 10.6
Actual figures	Sept. 14	640,257.0	65,434.0	7,444.0	57,712.0	481,980.0	15.1+ 10.6

The capital of the trust companies is as follows: Brooklyn, \$1,000,000; Bankers, \$10,000,000; United States Mortgage & Trust, \$2,000,000; Astor, \$1,250,000; Title Guarantee & Trust, \$4,375,000; Guaranty, \$5,000,000; Fidelity, \$1,000,000; Lawyers' Title Insurance & Trust, \$4,000,000; Columbia-Knickerbocker, \$2,000,000; Standard, \$1,000,000; People's, \$1,000,000; New York, \$3,000,000; Franklin, \$1,000,000; Lincoln, \$1,000,000; Metropolitan, \$2,000,000; Broadway, \$1,000,000 total, \$40,625,000.

SUMMARY COVERING BOTH BANKS AND TRUST COMPANIES.

Week ending Sept. 14.	Capital.	Surplus.	Loans.	Specie.	Legal Tenders.	On Dep. with C.H. Banks.	Net Deposits.
	\$	\$	\$	\$	\$	\$	\$
Averages	133,650.0	199,809.9	1,366,572.0	267,518.0	75,436.0		1,368,560.0
Trust cos.	40,625.0	96,723.6	644,231.0	65,966.0	7,538.0	57,998.0	484,308.0
Total	174,275.0	296,533.5	2,010,803.0	333,484.0	82,974.0	57,998.0	1,852,868.0
Actual			1,354,497.0	265,771.0	75,848.0		1,354,321.0
Trust cos.			640,257.0	65,434.0	7,444.0	57,712.0	481,980.0
Total			1,994,754.0	331,205.0	83,292.0	57,712.0	1,836,301.0

The State Banking Department also furnishes weekly returns of the State banks and trust companies under its charge. These returns cover all the institutions of this class in the whole State, but the figures are compiled so as to distinguish between the results for New York City (Greater New York) and those for the rest of the State, as per the following:

For definitions and rules under which the various items are made up, see "Chronicle," V. 86, p. 316.

STATE BANKS AND TRUST COMPANIES.

<i>Week ended September 14.</i>	<i>State Banks in Greater N. Y.</i>	<i>Trust Cos. in Greater N. Y.</i>	<i>State Banks outside of Greater N. Y.</i>	<i>Trust Cos. outside of Greater N. Y.</i>
	\$	\$	\$	\$
Capital as of June 14....	22,525,000	62,275,000	9,323,000	9,750,000
Surplus as of June 14....	38,702,400	170,654,900	12,233,100	12,377,200
Loans and investments....	295,411,200	1,173,550,900	111,395,300	170,933,200
Change from last week...	+857,300	—13,139,300	+223,100	+323,600
Specie	52,796,500	125,132,200	-----	-----
Change from last week...	—1,201,200	—283,800	-----	-----
Legal tender & bk. notes...	20,479,100	11,320,300	-----	-----
Change from last week...	+373,800	—396,500	-----	-----
Deposits	339,250,500	1,256,655,200	118,146,300	177,471,600
Change from last week...	—896,800	—22,719,500	+936,200	—23,400
Reserve on deposits.....	90,129,800	144,515,500	23,765,100	22,813,200
Change from last week...	—1,924,300	—1,576,900	+707,900	—660,200
P.C. reserve to deposits...	27.5%	16.3%	21.4%	13.9%
Percentage last week...	28.0%	16.3%	29.1%	14.3%

House banks and trust companies. In addition, we have combined each corresponding item in the two statements, thus affording an aggregate for the whole of the banks and trust companies in the Greater New York.

NEW YORK CITY BANKS AND TRUST COMPANIES.

Week ended Sept. 14—	Clear-House Members. Actual Figures	Clear-House Members. Average.	State Banks & Trust Cos. Not in C.-H. Aver.	Total of all Banks & Trust Cos. Average
	\$	\$	\$	\$
Capital {Nat. banks}				
Surplus {State banks}				
June 14—	296,533,500	296,533,500	81,105,900	377,639,400
Loans and investments	1,944,754,000	2,010,803,000	608,136,000	2,618,939,000
Change from last week	-27,435,000	-23,249,000	-2,316,100	-25,565,100
Deposits	1,836,301,000	1,852,868,000	614,691,400	2,467,559,400
Change from last week	-36,423,000	-35,969,000	-272,800	-36,241,800
Specie	331,205,000	333,484,000	66,653,800	400,137,800
Change from last week	-6,432,000	-9,704,000	+1,880,700	-7,823,300
Legal-tenders	83,292,000	82,974,000	68,447,300	91,421,300
Change from last week	-776,000	-356,000	-83,500	-439,500
Banks: cash in vault	341,619,000	342,954,000	12,129,800	355,083,800
Ratio to deposits	25.22%	25.05%	13.89%	
Trust cos.: cash in vault	72,878,000	73,504,000	62,971,300	136,475,300
Aggr'te money holdings	414,497,000	416,458,000	75,101,100	491,559,100
Change from last week	-7,208,000	-10,060,000	+1,797,200	-8,262,800
Money on deposit with other bks. & trust cos.	57,712,000	57,998,000	17,209,600	75,207,600
Change from last week	+456,000	-158,000	-1,157,800	-1,315,800
Total reserve	472,209,000	474,456,000	92,310,700	566,766,700
Change from last week	-6,752,000	-10,218,000	+639,400	-9,578,600
Surplus CASH reserve—Banks (above 25%)	3,038,750	814,000		
Trust cos. (above 15%)	581,000	857,800		
Total	3,619,750	1,671,800		
Change from last week	+868,650	-2,219,150		
% of cash reserves of trust cos.—				
Cash in vault	15.12%	15.17%	15.38%	
Cash on dep. with bks.	10.69%	10.69%	1.17%	
Total	25.81%	25.86%	16.55%	

+ Increase over last week. — Decrease from last week.

a These are the deposits after eliminating the item "Due from reserve depositors and other banks and trust companies in New York City"; with this item included, deposits amounted to \$674,940,400, a decrease of \$8,662,100 from last week. In the case of the Clearing-House members, the deposits are "legal net deposits" both for the average and the actual figures. b Includes bank notes.

The averages of the New York City Clearing-House banks and trust companies, combined with those for the State banks and trust companies in Greater New York outside of the Clearing House, compare as follows for a series of weeks past:

COMBINED RESULTS OF BANKS AND TRUST COMPANIES IN GREATER NEW YORK

We omit two ciphers in all these figures.

Week Ended	Loans and Investments	Deposits	Specie	Legals	Tot. Money Holdings	Entire Res. on Deposit
	\$	\$	\$	\$	\$	\$
July 13—	2,691,376.4	2,551,294.3	413,382.5	95,210.1	508,592.6	590,600.1
July 20—	2,661,002.7	2,535,238.1	420,706.3	97,547.0	518,253.3	604,634.5
July 27—	2,658,577.7	2,533,714.8	424,715.6	97,255.9	521,971.5	612,935.5
Aug. 3—	2,653,996.4	2,531,377.0	426,240.0	96,637.5	522,877.5	614,220.7
Aug. 10—	2,649,899.1	2,523,862.0	428,136.2	94,811.9	522,948.1	611,448.1
Aug. 17—	2,651,628.2	2,532,105.2	430,507.2	94,054.6	524,561.8	615,325.4
Aug. 24—	2,650,979.4	2,533,156.4	427,920.0	92,738.6	520,658.6	603,858.1
Aug. 31—	2,651,253.5	2,523,586.7	417,008.1	92,651.8	509,659.9	590,236.8
Sept. 7—	2,644,504.1	2,503,801.2	407,961.1	91,860.8	499,821.9	576,345.3
Sept. 14—	2,618,939.0	2,467,559.4	400,137.8	91,421.3	491,559.1	566,766.7

Reports of Clearing Non-Member Banks.—The following is the statement of condition of the clearing non-member banks for the week ending Sept. 14, based on average daily results:

We omit two ciphers (00) in all these figures.

Banks	Capital	Surplus	Loans, Discs and Investments	Specie	Legal Tender and Bank Notes	On Deposit with C.-H. Banks	Net Deposits
	\$	\$	\$	\$	\$	\$	\$
New York City.							
Manhattan and Bronx	500.0	544.9	3,345.0	699.0	61.0	89.0	3,071.0
Aetna National	100.0	327.9	1,532.0	154.0	80.0	217.0	1,282.0
Battery Park Nat.	200.0	115.1	1,654.0	333.0	59.0	117.0	1,717.0
Century	500.0	530.0	6,084.0	515.0	406.0	662.0	5,889.0
Colonial	400.0	537.6	6,011.0	743.0	412.0	970.0	6,209.0
Columbia	300.0	805.4	6,403.0	567.0	511.0	598.0	6,990.0
Fidelity	200.0	166.9	1,072.0	47.0	124.0	103.0	1,015.0
Mount Morris	250.0	342.8	2,640.0	449.0	44.0	314.0	2,960.0
Mutual	200.0	411.1	4,298.0	475.0	339.0	540.0	4,648.0
New Netherland	200.0	281.8	2,763.0	274.0	95.0	217.0	2,518.0
Twenty-third Ward	200.0	100.0	2,027.0	241.0	112.0	235.0	2,221.0
Yorkville	100.0	518.8	4,492.0	596.0	239.0	710.0	4,986.0
Brooklyn.							
First National	300.0	672.3	3,821.0	297.0	119.0	464.0	2,997.0
Manufacturers' Nat.	252.0	910.2	6,050.0	616.0	271.0	829.0	5,638.0
Mechanics	1,000.0	710.7	11,404.0	1,379.0	750.0	1,419.0	13,707.0
National City	300.0	578.5	4,272.0	472.0	104.0	757.0	4,234.0
North Side	200.0	170.4	2,374.0	184.0	104.0	225.0	2,362.0
Jersey City.							
First National	400.0	1,335.0	5,178.0	301.0	339.0	1,262.0	4,183.0
Hudson County Nat.	250.0	798.4	3,726.0	193.0	101.0	632.0	2,081.0
Third National	200.0	417.9	2,070.0	86.0	144.0	415.0	1,393.0
Hoboken.							
First National	220.0	649.0	4,154.0	207.0	70.0	343.0	1,785.0
Second National	125.0	275.7	3,099.0	181.0	42.0	234.0	1,237.0
Totals Sept. 14—	6,597.0	11,200.4	88,469.0	9,009.0	4,526.0	11,352.0	83,123.0
Totals Sept. 7—	6,597.0	11,219.7	87,476.0	8,862.0	4,098.0	11,503.0	81,399.0
Totals Aug. 31—	6,597.0	11,219.7	86,062.0	8,854.0	4,145.0	11,386.0	79,988.0

Boston and Philadelphia Clearing-House Members.—Below is a summary of the weekly totals of the Clearing-House institutions of Boston and Philadelphia:

We omit two ciphers (00) in all these figures.

Banks.	Capital and Surplus	Loans	Specie	Legals	Deposits	Circulation	Clearings
	\$	\$	\$	\$	\$	\$	\$
Boston.							
July 27—	41,575.0	243,740.0	25,405.0	5,509.0	275,508.0	8,257.0	153,939.0
Aug. 3—	41,575.0	239,007.0	24,095.0	5,498.0	272,149.0	7,850.0	153,511.9
Aug. 10—	41,575.0	238,710.0	24,322.0	5,265.0	270,640.0	7,854.0	144,791.3
Aug. 17—	41,575.0	240,247.0	24,172.0	5,328.0	274,065.0	7,856.0	149,693.7
Aug. 24—	41,575.0	240,070.0	24,030.0	5,251.0	270,787.0	7,853.0	138,659.1
Aug. 31—	41,575.0	241,101.0	24,040.0	5,410.0	267,320.0	7,775.0	122,823.9
Sept. 7—	41,575.0	241,070.0	23,623.0	5,074.0	271,202.0	7,713.0	142,439.2
Sept. 14—	41,575.0	239,631.0	24,393.0	5,212.0	273,178.0	7,607.0	153,961.9
Philadelphia.							
July 27—	80,623.2	388,722.0	98,771.0	† 431,132.0	15,021.0	136,091.3	
Aug. 3—	80,623.2	390,932.0	98,771.0	† 435,021.0	15,034.0	150,947.7	
Aug. 10—	80,623.2	391,606.0	97,256.0	† 431,014.0	15,054.0	139,955.5	
Aug. 17—	80,623.2	389,940.0	97,837.0	† 433,602.0	15,090.0	143,986.4	
Aug. 24—	80,623.2	391,213.0	97,074.0	† 428,637.0	15,120.0	127,995.6	
Aug. 31—	80,623.2	392,338.0	97,285.0	† 430,884.0	15,116.0	128,051.0	
Sept. 7—	80,623.2	393,222.0	97,245.0	† 435,122.0	15,123.0	133,852.8	
Sept. 14—	80,623.2	393,833.0	92,946.0	† 430,976.0	15,147.0	143,211.3	

a Includes Government deposits and the item "due to other banks." At Boston Government deposits amounted to \$854,000 on Sept. 14, against \$864,000 on Sept. 7. † "Deposits" now includes the item of "Exchanges for Clearing House," which was not previously embraced in the total. "Exchanges for Clearing House" were reported on Sept. 14 as \$11,969,000.

Imports and Exports for the Week.—The following are the imports at New York for the week ending Sept. 14; also totals since the beginning of the first week in January:

FOREIGN IMPORTS AT NEW YORK.

For week.	1912.	1911.	1910.	1909.
Dry Goods	\$3,335,201	\$3,055,415	\$3,357,539	\$3,246,179
General Merchandise	12,317,261	14,957,270	12,579,364	14,281,003
Total	\$15,652,462	\$17,912,685	\$15,936,903	\$17,527,182
Since January 1.				
Dry Goods	\$105,157,894	\$99,814,534	\$112,964,926	\$121,476,944
General Merchandise	606,322,920	515,173,142	548,021,953	488,486,497
Total 37 weeks	\$711,480,814	\$614,987,676	\$660,986,879	\$609,963,441

The following is a statement of the exports (exclusive of specie) from the port of New York to foreign ports for the week ending Sept. 14 and from Jan. 1 to date:

EXPORTS FROM NEW YORK.

	1912.	1911.	1910.	1909.
For the week	\$16,043,824	\$16,823,768	\$14,182,125	\$11,026,442
Previously reported	566,183,248	529,915,168	455,290,483	421,844,658
Total 37 weeks	\$582,827,072	\$546,738,936	\$469,472,608	\$432,871,100

The following table shows the exports and imports of specie at the port of New York for the week ending Sept. 14 and since Jan. 1 1912 and for the corresponding periods in 1911 and 1910:

EXPORTS AND IMPORTS OF SPECIE AT NEW YORK.

Gold.	Exports.		Imports.	
	Week.	Since Jan. 1	Week.	Since Jan. 1
Great Britain	—	—	—	\$391,272
France	—	\$20,146,622	—	2,012,516
Germany	—	15	—	2,569
West Indies	\$100	2,697,375	\$7,434	231,004
Mexico	—	—	328,783	10,344,169
South America	119,500	9,738,853	77,170	2,292,609
All other countries	500	53,483	46,628	1,142,589
Total 1912	\$120,100	\$32,636,348	\$460,015	\$16,416,728
Total 1911	50,200	3,104,741	81,521	10,792,376
Total 1910	200	44,723,053	79,045	20,122,397
Silver.				
Great Britain	\$976,207	\$34,173,089	—	\$3,329
France	176,051	4,921,233	—	6,862
Germany	—	—	—	20,853
West Indies	100	82,621	\$434	37,654
Mexico	—	—	299	3,235,135
South America	—	25,349	30,457	2,292,203
All other countries	—	706,990	39,643	1,168,893
Total 1912	\$1,152,358	\$39,909,282	\$70,833	\$6,764,929
Total 1911	820,680	35,435,561	169,053	5,314,009
Total 1910	545,322	31,281,669	87,095	3,446,122

Of the above imports for the week in 1912, \$4,655 were American gold coin and \$185 American silver coin.

Banking and Financial.

Railroad and Industrial Stocks

Write for our Circular No. 614 entitled "Railroad and Industrial Stocks," which describes 124 issues listed on the New York Stock Exchange, and classified by us as follows: Investment Stocks, Semi-Investment Stocks, Speculative Stocks.

Spencer Trask & Co.

43 EXCHANGE PLACE—NEW YORK.
Chicago, Ill. Boston, Mass. Albany, N. Y.
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Bonds and Investment Securities.

14 WALL STREET THE ROOKERY 111 DEVONSHIRE STREET
NEW YORK CHICAGO BOSTON

Bankers' Gazette.

Wall Street, Friday Night, Sept. 20, 1912.

The Money Market and Financial Situation.—There seems to be less likelihood, than last week, of near-by stringency in the money market and a more cheerful tone and broader activity at the Stock Exchange have resulted. The announcement on Monday of an engagement of \$750,000 gold in London for shipment to this country was regarded as the beginning of a movement which might materially supplement our own supply of funds for crop moving if needed.

The latter possibility has led to a free discussion by both Treasury officials and local bankers of the matter of further Government deposits in commercial banks. There seems to be no doubt that such an arrangement could be made if necessary. From these or other causes the advance in call loan rates, which was a prominent feature of last week's market, has, for the moment at least, ceased. At Berlin also conditions are easier and the Bank of England reports a slight increase in its percentage of reserve. Otherwise the general financial situation is practically unchanged.

At the Stock Exchange there has been a larger volume of business than of late and prices for both bonds and stocks have advanced. At the same time interest in the political situation seems to be waning. Discussion of the matter in financial circles has largely ceased and more attention is paid to the evidences of increasing general business and other direct results of the enormous crops which are, except in the case of corn and cotton, now secured.

The open market rates for call loans at the Stock Exchange during the week on stock and bond collaterals have ranged from $4\frac{1}{2}$ to $5\frac{1}{2}$ %. To-day's rates on call were $4\frac{1}{2}$ to $5\frac{1}{2}$ %. Commercial paper quoted nominally at $5\frac{1}{2}$ % for 60 to 90-day endorsements and $5\frac{1}{2}$ % for prime 4 to 6 months' single names and 6% for good single names.

The Bank of England weekly statement on Thursday showed a decrease in bullion of £536,666 and the percentage of reserve to liabilities was 50.64, against 50.34 last week. The rate of discount remains unchanged at 4%, as fixed Aug. 29. The Bank of France shows an increase of 71,000 francs gold and a decrease of 3,675,000 francs silver.

NEW YORK CLEARING-HOUSE BANKS.
(Not including Trust Companies.)

	1912. Ave ages for week ending Sept. 14.	Differences from previous week.	1911. Averages for week ending Sept. 16.	1910. Averages for week ending Sept. 17.
Capital	\$ 133,650,000		\$ 135,150,000	\$ 132,350,000
Surplus	199,809,900		196,199,000	193,297,900
Loans and discounts	1,366,572,000	Dec. 16,047,000	1,354,988,000	1,273,861,100
Circulation	46,088,000	Inc. 171,000	49,470,000	45,191,300
Net deposits	1,368,560,000	Dec. 24,455,000	1,383,624,000	1,282,365,100
Specie	267,518,000	Dec. 7,716,000	290,361,000	275,525,500
Legal tenders	75,436,000	Dec. 434,000	78,197,000	68,528,800
Reserve held	342,954,000	Dec. 8,150,000	368,558,000	344,054,300
25% of deposits	342,140,000	Dec. 6,113,750	345,906,000	320,591,275
Surplus reserve	814,000	Dec. 2,036,250	22,652,000	23,463,025

Note.—The Clearing House now issues a statement weekly, showing the actual condition of the banks on Saturday morning, as well as the above averages. The figures, together with the returns of the separate banks and trust companies, also the summary issued by the State Banking Department, giving the condition of State banks and trust companies not reporting to the Clearing House, appear on the second page preceding.

Foreign Exchange.—Sterling exchange gradually declined during the week and closed exceedingly dull, apparently awaiting definite information whether the Treasury Department is to come to the relief of the money situation on this side.

To-day's (Friday's) nominal rates for sterling exchange were 4 83 for 60-day and 4 86 1/2 for sight. To-day's actual rates for sterling exchange were 4 8220 @ 4 8230 for 60 days, 4 8545 @ 4 8555 for cheques and 4 8590 @ 4 86 for cables. Commercial on banks 4 80 1/2 @ 4 82 and documents for payment 4 81 1/2 @ 4 82 1/2. Cotton for payment 4 81 1/2 @ 4 81 1/4 and grain for payment 4 82 1/4 @ 4 82 1/2.

The posted rates for sterling as quoted by a representative house, were not changed from 4 83 1/2 for 60 days until Thursday, when a reduction to 4 83 was announced. The sight rate remains unchanged from 4 86 1/2, which was the closing figure a week ago.

To-day's (Friday's) actual rates for Paris bankers' francs were 5 23 1/2 @ 5 23 1/2 plus 1-16 for long and 5 20 1/2 less 1-32 @ 5 20 1/2 for short. Germany bankers' marks were 94 3-16 @ 94 1/4 for long and 94 15-16 less 1-32 for short. Exchange at London, 25f. 28 1/2 c.; week's range, 25f. 29 1/2 c. high and 25f. 28 c. low. Exchange at Berlin on London, 20m. 45 1/2 pf.; week's range, 20m. 45 1/2 pf. high and 20m. 44 1/2 pf. low. The range for foreign exchange for the week follows:

Sterling Actual—	Sixty Days.	Cheques.	Cables.
High for the week	4 8265	4 8585	4 8635
Low for the week	4 8220	4 8545	4 8590
Paris Bankers' Francs—			
High for the week	5 22 1/2 less 1-16	5 20 1/2 plus 1-32	5 20
Low for the week	5 23 1/2 less 1-16	5 20 1/2 less 1-16	5 20 less 1-16
Germany Bankers' Marks—			
High for the week	94 3/4	95 plus 1-32	95 1/2
Low for the week	94 3-16	94 1/2	95
Amsterdam Bankers' Guilders—			
High for the week	40	40 1/4 plus 1-32	40 5-16
Low for the week	40 less 1-16	40 3-16 plus 1-16	40 1/4 plus 1-16

Domestic Exchange.—Chicago, 10c. per \$1,000 discount. Boston, par. St. Louis, 15c. per \$1,000 discount bid and 5c. discount asked. New Orleans, commercial, 50c. per \$1,000 discount, and bank, \$1 premium. San Francisco, 60c. per \$1,000 premium. Savannah, buying, 3-16c. discount, and selling, par. St. Paul, 15c. per \$1,000 discount. Montreal, par. Charleston, buying, par; selling, 1-10% premium. Cincinnati, par.

State and Railroad Bonds.—Sales of State bonds at the Board include \$2,000 N. Y. Canal 4s, 1960, at 100 1/2; \$62,000 N. Y. Canal 4s, 1961 at 100 1/8 to 100 3/8; \$46,000 N. Y. Canal 4s, 1962 at 100 3/8; \$4,000 New York 4s, 1961 at 100 3/8; \$25,000 New York 4s, 1962, at 100 1/8 and \$99,000 Virginia 6s deferred trust receipts at 53 1/2 to 57 1/4.

The market for railway and industrial bonds has been relatively active and prices have been well maintained.

Over 2 1/2 millions, par value, were traded in on Wednesday. The active list is about one point higher than last week.

United States Bonds.—Sales of Government bonds at the Board include \$4,000 Panama 3s, coup., at 101 7/8, \$3,000 3s, coup., at 102 1/2. The following are the daily closing quotations; for yearly range see third page following.

	Interest Periods	Sept. 14	Sept. 16	Sept. 17	Sept. 18	Sept. 19	Sept. 20
2s, 1930	registered	Q-Jan	*101	*101	*101	*101	*101
2s, 1930	coupon	Q-Jan	*101	*101	*101	*101	*101
3s, 1908-18	registered	Q-Feb	*102 1/4	*102 1/4	*102 1/4	*102 1/4	*102 1/4
3s, 1908-18	coupon	Q-Feb	*102 1/4	*102 1/4	*102 1/4	*102 1/4	*102 1/4
4s, 1925	registered	Q-Feb	*113 1/2	*113 1/2	*113 1/2	*113 1/2	*113 1/2
4s, 1925	coupon	Q-Feb	*113 1/2	*113 1/2	*113 1/2	*113 1/2	*113 1/2
5s, 1936	Panama Canal regis	Q-Feb	*100 3/4	*100 3/4	*100 3/4	*100 3/4	*100 3/4
3s, 1961	Panama Canal coup	Q-Mch	101 1/8	*101 1/8	*101 1/8	*101 1/8	*101 1/8

* This is the price bid at the morning board; no sale was made.

Railroad and Miscellaneous Stocks.—The stock market has been more active than for some time past and last week's tendency to weakness has been reversed. On Tuesday the market had, indeed, a decided inclination to buoyancy and a sharp advance was then made in a considerable number of issues.

As for some time past, the miscellaneous list was prominent and some of the industrial stocks were leaders of the upward movement. On Wednesday the tendency was reactionary, but only a few stocks responded and prices have, in many cases, held well up to the highest of the week.

The market to-day was more active than on any day since May 16, and an advance averaging about a point was recorded. As a result of the week's operations American Can preferred is 6 5/8 points higher, the common 5 1/2, Reading 4 1/4, and Canadian Pacific, Great Northern, Northern Pacific, Union Pacific and Lehigh Valley are between 3 and 4 points higher.

For daily volume of business see page 740.

The following sales have occurred this week of shares not represented in our detailed list on the pages which follow:

STOCKS. Week ending Sept. 20.	Sales for Week.	Range for Week.		Range since Jan. 1.	
		Lowest.	Highest.	Lowest.	Highest.
Allis-Chalmers, pref.	100	4 1/2 Sept 18	4 1/2 Sept 18	2 1/2 June	8 Jan
Com cts dep 1st pd.	800	3/4 Sept 18	1 Sept 14	3/4 Sept	2 1/2 May
Pref cts dep 1st pd.	100	4 1/2 Sept 17	4 1/2 Sept 17	4 1/2 June	6 May
Am Brake Shoe & Fdy.	100	99 1/2 Sept 17	99 1/2 Sept 17	91 1/2 Jan	99 1/2 Sept
Preferred	200	150 Sept 17	152 Sept 17	130 Jan	152 Sept
American Express.	80	197 Sept 18	00 Sept 14	196 Aug	225 Apr
Batopilas Mining.	100	\$1 1/2 Sept 18	\$1 1/2 Sept 18	3/4 Mch	\$2 1/2 Apr
Brunswick Terminal.	100	8 Sept 17	8 Sept 17	8 Jan	11 1/4 May
Colorado & Southern.	350	39 Sept 20	40 1/4 Sept 17	39 June	45 Feb
Detroit United.	500	74 Sept 17	74 1/2 Sept 17	63 3/4 Jan	74 1/2 July
E I du Pont Powd., pref.	100	99 1/2 Sept 18	99 1/2 Sept 18	90 1/2 Jan	99 1/2 Sept
Green Bay & W deb B.	3	13 1/2 Sept 16	13 1/2 Sept 16	10 1/2 Feb	15 Aug
Havana El Ry L & P pf	100	96 1/2 Sept 18	96 1/2 Sept 18	96 Aug	96 1/2 Sept
Lackawanna Steel.	100	43 3/4 Sept 18	43 3/4 Sept 18	29 Mch	46 Aug
N Y C & St L 2d pref.	100	85 Sept 18	85 Sept 18	85 Sept	90 Jan
Norfolk Southern.	200	45 1/2 Sept 16	46 1/2 Sept 20	45 1/2 Sept	55 May
Ontario Silver Mining.	100	1 1/2 Sept 18	1 1/2 Sept 18	1 Feb	3 1/4 May
Pacific Tel & Tel pref.	100	101 1/2 Sept 18	101 1/2 Sept 18	98 1/2 July	101 1/2 Sept
Pittsburgh Steel pref.	400	101 1/2 Sept 18	102 Sept 14	101 1/2 July	104 1/2 Aug
Sloss-Sheffield S & I pref	50	98 Sept 20	98 Sept 20	90 Feb	105 Apr
United Dry Goods.	450	98 3/4 Sept 20	99 1/2 Sept 17	97 Feb	102 1/2 July
Preferred	115	105 1/2 Sept 20	105 1/2 Sept 20	103 3/4 Feb	108 3/4 July
U S Red & Refg.	100	1 1/2 Sept 18	1 1/2 Sept 14	1 1/2 Mch	3 1/2 May
Preferred	100	5 Sept 18	5 Sept 11	4 Aug	10 1/2 Apr
Virginia Iron Coal & C.	1,600	65 Sept 14	67 Sept 18	54 Mch	90 Jan
West Maryland pref.	100	77 1/2 Sept 20	77 1/2 Sept 20	75 Jan	81 Apr
Weyman-Bruton pref.	100	116 1/2 Sept 20	116 1/2 Sept 20	112 Mch	116 1/2 Sept

Outside Market.—Trading in the outside market this week, with one or two exceptions, was quiet, price movements being of little moment. Decided strength and activity developed in United Cigar Stores com., the upward movement carrying the price to the highest point yet reached. After moving irregularly between 99 1/2 and 101 7/8, it jumped to 104 1/2 and to-day to 106 7/8, the close being at 106. The preferred improved from 119 to 119 3/4. British-Amer. Tobacco sank from 24 5/8 to 23 3/8, recovered to 24 3/4, and ends the week at 24 1/2. Emerson-Brantingham com. was traded in between 77 3/4 and 78 and at 78 finally. The preferred fluctuated between 102 3/4 and 103, with the close to-day at 102 7/8. Intercontinental Rubber com. appeared, moving up from 12 1/2 to 13. Manhattan Shirt com. rose from 69 3/4 to 71, reacted to 68 1/2 and closed to-day at 69. The preferred lost 1 1/2 points to 101 and advanced subsequently to 101 1/2. Pennsylvania Textile went up from 22 1/2 to 27 7/8, the final figure to-day being 27 3/4. Pettibone-Mulliken com. improved over a point to 35, fell to 34 and moved upward again, resting finally at 34 3/4. Standard Oil of N. J. gained 5 points to 410. Standard Oil of N. Y. dropped about 10 points to 550, then advanced to 572, receding subsequently to 565. U. S. Motor issues developed a firmer tone, the com. advancing from 1 to 2 1/8 and closing to-day at 2. The preferred sold up from 3 3/4 to 7 3/4 and rested finally at 7. Bonds were slightly more active. Braden Copper 6s rose from 149 to 153, the 7s gaining 3 points to 153 and reacting to 151. Bklyn. Rap. Tran. 5% notes sold up from 96 5/8 to 96 3/4 and Chic. Elev. 5s up from 97 7/8 to 98, down to 97 3/4 and at 97 7/8 at the close to-day. N. Y. City 4 1/4s of 1960 moved down from 100 1/8 to 100 1-16, the 4 1/4s of 1962 advancing from 100 to 100 3-16. Copper shares were quiet. Braden Copper eased off from 7 to 6 7/8 and sold up to 7 1/4. British Columbia weakened from 5 3/8 to 5 1/8 and recovered finally to 5 1/4. Giroux moved up from 5 1/8 to 5 1/2 and back to 5 1/8. Greene-Canaan was off from 9 7/8 to 9 1/2, but recovered to 9 3/4. Mason Valley improved from 12 3/4 to 13 1/8 and eased off to 13. United Copper com. lost a point to 2. Outside quotations will be found on page 740.

New York Stock Exchange—Stock Record, Daily, Weekly and Yearly

OCCUPYING TWO PAGES

For record of sales during the week of stocks usually inactive, see preceding page.

STOCKS—HIGHEST AND LOWEST SALE PRICES.						Sales of the Week Shares.	NEW YORK STOCK EXCHANGE	Range since January 1. On basis of 100-share lots		Range for Previous Year 1911.	
Saturday Sept. 14	Monday Sept. 16	Tuesday Sept. 17	Wednesday Sept. 18	Thursday Sept. 19	Friday Sept. 20			Lowest.	Highest.	Lowest.	Highest.
107 1/2 107 3/4	107 1/2 108	107 1/2 108 1/2	108 1/2 108 1/2	108 1/2 108 1/2	108 1/2 109	16,500	A toh Topeka & Santa Fe	103 1/2 Feb 1	110 1/2 Aug 14	99 1/2 Sep	116 1/2 J'ne
*101 1/2 102 1/2	101 1/2 102	101 1/2 102	*101 1/2 102 1/2	102 1/2 102 1/2	102 1/2 102 1/2	1,040	Do pref	101 1/2 Jan 2	104 1/2 Feb 10	100 1/2 Jan	105 1/2 J'ne
*140 1/2 141 1/2	*140 1/2 142	141 1/2 142	*141 1/2 143	141 1/2 143	141 1/2 143	300	Atlantic Coast Line RR.	133 1/2 Jan 10	148 1/2 Aug 12	117 Jan	130 1/2 Nov
*106 1/2 106 1/2	106 1/2 106 1/2	106 1/2 107 1/2	107 1/2 107 1/2	107 1/2 107 1/2	107 1/2 108 1/2	5,000	Baltimore & Ohio	101 1/2 Feb 1	111 1/2 Apr 30	93 1/2 Sep	109 1/2 J'ly
*85 92	*85 92	*85 87	*85 87 1/2	*87 87	*85 87 1/2	20	Do pref	86 1/2 Aug 13	91 Jan 23	85 1/2 Aug	91 Jan
*89 1/2 90	*89 1/2 90 1/2	*89 1/2 90 1/2	*89 1/2 90 1/2	*89 1/2 90 1/2	*89 1/2 90 1/2	9,300	Brooklyn Rapid Transit	76 1/2 Jan 2	94 1/2 J'ly 2	72 Sep	84 1/2 J'ly
273 1/2 274 1/2	274 1/2 274 1/2	275 1/2 277 1/2	277 1/2 277 1/2	275 1/2 276 1/2	276 1/2 277 1/2	28,300	Canadian Pacific	226 1/2 Mch 4	283 Aug 15	195 1/2 Jan	247 J'ly
*360 380	*360 380	*360 380	*360 380	*360 380	*360 380	10,100	Central of New Jersey	305 Jan 9	395 Apr 29	260 Aug	320 Dec
80 80	79 1/2 80 1/2	80 1/2 80 1/2	80 1/2 80 1/2	80 1/2 80 1/2	80 1/2 81 1/2	10,100	Chesapeake & Ohio	68 1/2 Feb 1	83 1/2 Aug 14	68 1/2 Sep	86 1/2 Feb
*18 18 1/2	18 18 1/2	17 1/2 18	17 1/2 18	17 1/2 17 1/2	17 1/2 17 1/2	2,800	Chic Gt West trust cfts.	16 1/2 J'ly 12	20 1/2 Apr 8	17 Sep	25 1/2 J'ne
*33 37 1/2	*33 37 1/2	33 1/2 33 1/2	33 1/2 33 1/2	32 32 1/2	32 32 1/2	2,100	Do pref trust cfts.	31 1/2 Sep 18	39 1/2 Apr 6	35 1/2 Dec	49 1/2 Feb
*106 1/2 107	106 1/2 107	106 1/2 107 1/2	107 1/2 107 1/2	107 1/2 107 1/2	107 1/2 108 1/2	13,400	Chicago Milw & St Paul	99 1/2 J'ly 13	112 1/2 Apr 6	105 1/2 Oct	133 1/2 Feb
*141 142 1/2	*141 142 1/2	142 1/2 142 1/2	*141 142 1/2	*141 142 1/2	*141 142 1/2	1,150	Do pref	140 J'ly 13	146 Jan 2	141 Sep	155 1/2 Feb
139 139	*138 140	140 140	140 140	*139 140	140 140 1/2	1,150	Chicago & North Western	134 1/2 J'ly 12	145 Apr 26	138 1/2 Sep	150 1/2 J'ne
*185 190	190 190	*180 195	*181 191	*181 191	*181 191	500	Do pref	190 May 4	198 Mch 26	191 Nov	*209 Jan
*214 215	*214 215	*214 215	*214 215	*214 215	*214 215	100	Chic Un Trac cfts stmpd	1 1/2 Feb 16	3 1/2 Apr 18	1 1/2 Sep	3 1/2 Feb
*6 9	*6 9	*6 9	*6 9	*6 9	*6 9	100	Do pref cfts stmpd	4 Mch 21	10 1/4 Apr 18	4 1/2 Sep	7 1/4 Feb
*51 1/2 58	*51 1/2 58	*51 1/2 58	*51 1/2 58	*51 1/2 58	*51 1/2 58	400	Cleve Cln Chic & St L	54 1/2 Mch 28	62 1/2 Apr 23	48 1/2 Sep	66 Jan
*98 101 1/2	*98 101 1/2	*98 101 1/2	*98 101 1/2	*98 101 1/2	*98 101 1/2	100	Do pref	99 1/2 Feb 24	101 1/2 Apr 17	94 1/2 J'ly	98 Feb
*167 170	*167 170	*167 170	*167 170	*167 170	*167 170	100	Delaware & Hudson	169 J'ly 8	175 1/2 Feb 6	159 1/2 Sep	174 1/2 J'ne
*520 560	*520 560	*520 560	*520 560	*520 560	*520 560	100	Delaware Lack & West.	530 Aug 23	569 Jan 28	505 Sep	570 Nov
*21 22 1/2	*21 22 1/2	*21 22	*21 22	*21 22	*21 22	100	Denver & Rio Grande	18 1/2 J'ly 12	24 Mch 27	17 1/2 Dec	35 Feb
*35 38	*35 38	*35 38	*35 38	*35 38	*35 38	100	Do pref	34 1/2 J'ne 19	46 1/2 Jan 24	36 1/2 Dec	74 Feb
*9 10 1/2	*9 10 1/2	10 10	*9 10 1/2	*9 10 1/2	*9 10 1/2	100	Duluth So Shore & Atlan	8 Sep 9	11 1/2 May 16	9 Nov	15 1/2 Mch
*16 17 1/2	*16 17 1/2	*16 18	*16 18	*16 18	*16 18	100	Do pref	15 1/2 Sep 9	23 May 15	17 1/2 Dec	30 1/2 Mch
35 1/2 36	35 1/2 36 1/2	36 1/2 37	36 1/2 37	36 1/2 37	36 1/2 37 1/2	32,835	Erie	30 1/2 Jan 15	39 1/2 Apr 11	27 1/2 Jan	38 1/2 J'ly
52 1/2 53	53 53 1/2	53 1/2 54	54 54 1/2	54 1/2 55	54 1/2 55	1,100	Do 1st preferred	40 Feb 3	48 Apr 11	35 Jan	49 1/2 J'ly
43 1/2 44	43 1/2 44	44 1/2 44 1/2	44 1/2 44 1/2	44 1/2 44 1/2	44 1/2 44 1/2	1,100	Do 2d preferred	40 Feb 3	48 Apr 11	35 Jan	49 1/2 J'ly
137 1/2 138 1/2	138 1/2 138 1/2	138 1/2 139 1/2	139 1/2 140 1/2	140 1/2 140 1/2	140 1/2 141 1/2	19,790	Great Northern pref.	126 Jan 15	143 1/2 Aug 16	119 Sep	140 J'ne
*45 46	45 46	45 46 1/2	46 46 1/2	46 1/2 46 1/2	46 1/2 46 1/2	4,000	Iron Ore properties	36 Jan 31	47 1/2 Aug 15	33 1/2 Dec	63 1/2 Feb
*127 1/2 129	128 1/2 129	*128 1/2 130	129 1/2 130	130 130	130 130 1/2	700	Illinois Central	120 1/2 May 9	141 1/2 Jan 23	132 Jan	147 J'ly
198 1/2 199	198 1/2 199	198 1/2 199	198 1/2 199	198 1/2 199	198 1/2 199	13,700	Interboro-Metrop v t cfts	16 1/2 Jan 3	22 J'ly 2	13 1/2 Sep	20 1/2 Feb
58 1/2 59	58 1/2 59	58 1/2 59	58 1/2 59	58 1/2 59	58 1/2 59	16,300	Do pref	53 1/2 Jan 3	62 Mch 26	53 1/2 Sep	56 1/2 J'ly
*27 27 1/2	*27 27 1/2	27 1/2 27 1/2	27 1/2 27 1/2	27 1/2 27 1/2	27 1/2 27 1/2	1,600	Kansas City Southern	22 1/2 May 29	29 1/2 Mch 25	25 1/2 Sep	37 1/2 J'ne
61 1/2 61 1/2	61 1/2 61 1/2	61 1/2 61 1/2	61 1/2 61 1/2	61 1/2 61 1/2	61 1/2 61 1/2	900	Do preferred	56 May 29	65 1/2 Mch 25	61 1/2 Sep	69 1/2 J'ne
*13 15 1/2	*13 15 1/2	*13 15 1/2	*13 15 1/2	*13 15 1/2	*13 15 1/2	4,500	Lake Erie & Western	11 1/2 Jan 26	18 Apr 24	10 Sep	17 Nov
*35 38	*35 38	*35 38	*35 38	*35 38	*35 38	42,300	Do preferred	30 Jan 8	40 May 21	25 Sep	40 Jan
166 1/2 167	166 1/2 168 1/2	167 1/2 168 1/2	167 1/2 168 1/2	167 1/2 168 1/2	167 1/2 168 1/2	5,100	Lehigh Valley	155 1/2 Feb 5	185 1/2 Jan 15	151 Sep	186 1/2 Dec
161 1/2 162	162 162 1/2	162 1/2 163	161 1/2 162 1/2	162 1/2 163	162 1/2 163 1/2	420	Louisville & Nashville	149 1/2 Feb 1	170 Aug 14	136 1/2 Sep	160 1/2 Nov
*133 135	*133 135	*133 135	*133 135	*133 135	*133 135	2,550	Manhattan Elevated	131 1/2 Sep 18	138 1/2 Mch 13	131 1/2 Sep	142 1/2 Jan
23 1/2 23 1/2	23 1/2 23 1/2	23 1/2 23 1/2	23 1/2 23 1/2	23 1/2 23 1/2	23 1/2 23 1/2	1,145	Minneapolis & St Louis	18 1/2 J'ly 24	27 1/2 Jan 23	21 1/2 Apr	42 1/2 Sep
*47 50	*47 50	*47 50	*47 50	*47 50	*47 50	1,145	Do preferred	40 Feb 26	57 Jan 15	55 Mch	68 1/2 Sep
150 150	149 1/2 150	149 1/2 151 1/2	151 1/2 153 1/2	152 1/2 153	152 1/2 153	9,300	Minn St P & S S Marie	129 Feb 3	154 1/2 Aug 12	124 1/2 Mch	152 1/2 J'ne
*155 157	*155 157	156 156 1/2	156 1/2 156 1/2	156 1/2 157	156 1/2 157	600	Do preferred	147 1/2 Feb 3	158 Aug 15	146 Nov	160 Mch
28 1/2 28 1/2	28 1/2 29	28 1/2 29	28 1/2 29	28 1/2 29	28 1/2 29	4,500	Mo Kansas & Texas	25 1/2 J'ly 13	31 1/2 Mch 29	27 Sep	28 1/2 J'ne
*62 1/2 64	*62 1/2 64	*62 1/2 64	*62 1/2 64	*62 1/2 64	*62 1/2 64	100	Do preferred	57 1/2 May 29	66 Apr 17	62 1/2 Sep	70 Oct
41 1/2 41 1/2	41 1/2 41 1/2	41 1/2 42 1/2	42 42 1/2	41 1/2 42 1/2	42 1/2 42 1/2	15,700	Missouri Pacific	35 J'ly 12	47 1/2 Mch 27	33 1/2 Sep	63 Feb
*64 1/2 66 1/2	*64 1/2 66 1/2	*64 1/2 66 1/2	*64 1/2 66 1/2	*64 1/2 66 1/2	*64 1/2 66 1/2	100	Nat Rys of Mex 1st pref	35 May 17	71 Jan 4	60 Aug	72 1/2 Jan
*29 1/2 30	*29 1/2 30	*29 29 1/2	*29 30	*29 30	*29 30	5,020	Do 2d preferred	28 Apr 1	36 1/2 Jan 20	25 1/2 Aug	33 1/2 Feb
114 114	113 1/2 114 1/2	113 1/2 114 1/2	113 1/2 114 1/2	113 1/2 114 1/2	113 1/2 114 1/2	400	N Y Central & Hudson	106 1/2 Jan 9	121 1/2 Apr 25	99 1/2 Sep	115 1/2 Feb
*136 137	136 136 1/2	*135 1/2 137	136 1/2 136 1/2	136 1/2 137	136 1/2 137	800	N Y N H & Hartford	134 J'ne 18	142 1/2 Apr 1	125 1/2 Sep	151 1/2 Feb
36 1/2 36 1/2	37 37	36 1/2 36 1/2	36 1/2 36 1/2	36 1/2 36 1/2	36 1/2 36 1/2	200	N Y Ontario & Western	29 1/2 J'ne 29	41 1/2 Apr 12	37 1/2 Sep	46 1/2 J'ly
90 90	*90 91 1/2	*90 91	*90 91	*90 91	*90 91	12,600	N Y State Railways	86 1/2 J'ne 1	93 1/2 Apr 26	99 1/2 Sep	111 1/2 Nov
115 1/2 115 1/2	115 1/2 116 1/2	115 1/2 116 1/2	115 1/2 116 1/2	115 1/2 116 1/2	115 1/2 116 1/2	20	Norfolk & Western	110 1/2 Feb 1	119 1/2 Aug 12	99 1/2 Sep	111 1/2 Nov
*87 90	*87 90	*87 89 1/2	*87 89 1/2	*87 89 1/2	*87 89 1/2	200	Do adjustment pref.	88 J'ne 12	92 Feb 17	85 1/2 Apr	91 1/2 J'ne
125 1/2 126	125 1/2 126 1/2	126 1/2 128 1/2	127 1/2 128 1/2	128 128 1/2	128 1/2 129 1/2	32,650	Nor Ohio Trac & Light	56 Mch 11	67 1/2 Aug 27	39 1/2 Jan	55 1/2 Nov
123 1/2 123 1/2	123 1/2 123 1/2	123 1/2 124 1/2	124 124 1/2	12							

For record of sales during the week of stocks usually inactive see second page preceding.

STOCKS—HIGHEST AND LOWEST SALE PRICES						Sales of the Week Shares.	STOCKS NEW YORK STOCK EXCHANGE		Range since January 1. On basis of 100-share lots		Range for Previous Year 1911.	
Saturday Sept. 14	Monday Sept. 16	Tuesday Sept. 17	Wednesday Sept. 18	Thursday Sept. 19	Friday Sept. 20.		Lowest	Highest	Lowest	Highest		
*87 1/2 88	*87 1/2 88	*87 1/2 88	88 88	88 1/2 88 1/2	*86 1/2 88 1/2	800	Industrial and Misc. (Con)		86 Moh 22	89 1/2 J'ne 10	82 Sep	89 1/2 J'ly
*84 1/2 85	84 1/2 85 1/2	84 1/2 85	84 1/2 85	85 1/2 86 1/2	85 1/2 87	15,400	Amer Smelters Sec pref B		67 1/2 Feb 1	89 1/2 Mch 25	56 1/2 Sep	89 1/2 J'ne
*107 108	107 1/2 107 1/2	108 108 1/2	108 1/2 108 1/2	108 1/2 108 1/2	108 1/2 108 1/2	600	Amer Smelting & Refining		102 1/2 Jan 2	109 Aug 23	98 1/2 Sep	108 1/2 J'ne
*188 192	191 1/2 191 1/2	190 191	188 191	188 191	188 191	1,200	Do pref.		123 Mch 6	197 Sep 3	225 Sep	325 May
*100 105	*100 105	*100 105	*100 105	*100 105	*100 105	4,950	Do pref. new		99 Feb 9	105 Aug 3		
*37 38	*37 38	37 37	37 37	37 1/2 37 1/2	37 1/2 37 1/2	3,600	Amer Steel Found (new)		26 Jan 19	39 1/2 Sep 2	25 Sep	52 1/2 Feb
*126 1/2 127	*126 1/2 127	127 127 1/2	127 1/2 128	127 1/2 128	127 1/2 128		American Sugar Refining		114 1/2 Jan 12	133 May 12	112 1/2 Sep	122 1/2 Feb
*121 1/2 123	*121 1/2 123	*121 1/2 123	*121 1/2 123	*121 1/2 123	*121 1/2 123	3,350	Do pref.		115 1/2 Jan 5	123 1/2 Aug 30	111 Jan	119 1/2 Feb
143 1/2 143 1/2	143 1/2 143 1/2	144 144 1/2	144 1/2 144 1/2	144 1/2 144 1/2	144 1/2 144 1/2	2,400	American Telephone & Tele		137 1/2 Jan 2	149 1/2 Mch 25	131 1/2 Aug	153 1/2 J'ne
*269 271	272 272	272 272	272 272	272 272	272 272	1,200	American Tobacco		241 1/2 Feb 29	324 1/2 J'ly 1		
104 104	104 104	103 1/2 104	104 1/2 104 1/2	104 1/2 104 1/2	104 1/2 104 1/2	1,500	Preferred, new		101 1/2 Jan 11	106 1/2 Jan 19		
*28 29	29 29 1/2	29 1/2 30	30 30 1/2	30 30 1/2	30 30 1/2	850	American Woolen		25 1/2 Feb 6	31 May 17	25 1/2 Dec	36 1/2 Mch
91 1/2 91 1/2	91 1/2 91 1/2	91 1/2 91 1/2	91 1/2 91 1/2	91 1/2 91 1/2	91 1/2 91 1/2	3,450	Do pref.		88 Feb 7	94 1/2 Mch 12	85 1/2 Oct	96 1/2 J'ne
*34 1/2 36	35 35 1/2	36 36 1/2	37 37 1/2	37 37 1/2	37 37 1/2	49,600	Amer Writing Paper, pri.		25 1/2 Jan 25	41 1/2 May 1	24 1/2 Sep	34 1/2 Feb
46 46 1/2	46 46 1/2	46 1/2 46 1/2	46 1/2 46 1/2	46 1/2 46 1/2	46 1/2 46 1/2		Anaconda Copper Par \$25		33 1/2 Feb 1	47 1/2 Sep 10	32 1/2 Sep	44 1/2 J'ne
*123 1/2 124 1/2	*123 1/2 124 1/2	*123 1/2 124 1/2	*123 1/2 124 1/2	*123 1/2 124 1/2	*123 1/2 124 1/2	1,850	Assets Realization		105 1/2 Feb 7	126 1/2 Aug 18	106 1/2 Dec	108 Dec
58 1/2 58 1/2	58 1/2 58 1/2	58 1/2 58 1/2	58 1/2 58 1/2	58 1/2 58 1/2	58 1/2 58 1/2	1,000	Adwin Locomotive		53 1/2 J'ne 18	60 1/2 Aug 30	103 1/2 Dec	107 Dec
106 1/2 106 1/2	106 1/2 106 1/2	106 1/2 106 1/2	106 1/2 106 1/2	106 1/2 106 1/2	106 1/2 106 1/2	21,000	Do pref.		102 1/2 Feb 2	108 1/2 J'ne 17	103 1/2 Dec	107 Dec
*39 1/2 40 1/2	39 1/2 40 1/2	40 1/2 40 1/2	41 41 1/2	41 1/2 42 1/2	41 1/2 42 1/2	6,100	Bethlehem Steel		27 1/2 Feb 27	43 1/2 Sep 20	26 Sep	34 1/2 Aug
*70 1/2 73 1/2	*71 73 1/2	*70 73 1/2	*70 73 1/2	*70 73 1/2	*70 73 1/2	200	Do pref.		56 1/2 Feb 27	78 Sep 20	54 Sep	63 1/2 J'ly
*146 147 1/2	*146 148	*146 148	*146 148	*146 148	*146 148	31,800	Brooklyn Union Gas		137 1/2 Mch 21	149 Aug 12	129 Sep	148 1/2 Nov
*35 1/2 37	*35 1/2 36 1/2	*35 1/2 36 1/2	*35 1/2 36 1/2	*35 1/2 36 1/2	*35 1/2 36 1/2	100	Butterick Co.		29 1/2 Mch 18	40 1/2 Apr 30	28 Feb	31 Mch
31 1/2 31 1/2	31 1/2 31 1/2	31 1/2 31 1/2	31 1/2 31 1/2	31 1/2 31 1/2	31 1/2 31 1/2	850	Central Leather		16 1/2 Feb 27	32 1/2 Sep 20	18 1/2 Sep	33 1/2 Feb
*98 1/2 98 1/2	98 1/2 98 1/2	99 99	99 99	99 99	99 99	32,450	Do pref.		80 Feb 27	100 Aug 15	91 1/2 Dec	105 Feb
42 1/2 42 1/2	42 1/2 42 1/2	44 1/2 44 1/2	44 1/2 44 1/2	44 1/2 44 1/2	44 1/2 44 1/2	14,700	dChina Copper Par \$5		\$25 Jan 15	\$44 1/2 Sep 10	\$10 1/2 Sep	\$27 1/2 Dec
35 1/2 35 1/2	35 1/2 35 1/2	35 1/2 35 1/2	35 1/2 35 1/2	35 1/2 35 1/2	35 1/2 35 1/2	6,120	Colorado Fuel & Iron		23 1/2 Feb 28	36 1/2 Sep 20	25 Sep	36 1/2 Feb
*144 1/2 145 1/2	*144 1/2 145 1/2	*144 1/2 145 1/2	*144 1/2 145 1/2	*144 1/2 145 1/2	*144 1/2 145 1/2	4,410	Consolidated Gas (N Y)		138 1/2 Feb 17	142 1/2 Aug 12	128 1/2 Sep	148 1/2 J'ne
*154 154	154 154 1/2	154 154 1/2	154 154 1/2	154 154 1/2	154 154 1/2	624	Corn Products Refining		10 Jan 16	17 1/2 Apr 24	9 1/2 Oct	15 1/2 May
*83 1/2 84 1/2	83 1/2 84 1/2	84 1/2 84 1/2	84 1/2 84 1/2	84 1/2 84 1/2	84 1/2 84 1/2	3,150	Do pref.		27 1/2 Jan 3	87 Apr 24	73 Sep	85 May
*33 1/2 33 1/2	34 34 1/2	34 1/2 34 1/2	34 1/2 34 1/2	34 1/2 34 1/2	34 1/2 34 1/2	400	Distillers' Securities Corp		23 Feb 5	36 1/2 Aug 24	29 Sep	38 1/2 Mch
*17 20	19 1/2 20	18 23	18 21 1/2	20 1/2 20 1/2	18 21 1/2	1,475	Federal Mining & Smelt'g		11 1/2 Feb 28	21 1/2 J'ly 3	13 Dec	36 Feb
180 1/2 181	182 182	182 182	182 182	182 182	182 182	5,450	Do pref.		37 1/2 Jan 23	50 J'ly 2	37 Dec	66 1/2 May
*88 89 1/2	88 89 1/2	88 89 1/2	88 89 1/2	88 89 1/2	88 89 1/2	1,500	General Electric		155 Jan 2	188 1/2 J'ly 25	142 Sep	188 1/2 May
*79 1/2 80 1/2	79 1/2 80 1/2	79 1/2 80 1/2	79 1/2 80 1/2	79 1/2 80 1/2	79 1/2 80 1/2	600	Gen Motors vot tr cts		30 Feb 26	42 1/2 Sep 3	35 Nov	51 1/2 Aug
79 1/2 79 1/2	79 1/2 79 1/2	79 1/2 79 1/2	79 1/2 79 1/2	79 1/2 79 1/2	79 1/2 79 1/2	14,900	Do pref ot tr cts		70 1/2 May 3	82 1/2 Sep 3	74 1/2 Dec	86 1/2 Aug
*109 1/2 109 1/2	*109 1/2 109 1/2	*109 1/2 109 1/2	*109 1/2 109 1/2	*109 1/2 109 1/2	*109 1/2 109 1/2	2,500	dGoldfield Con M Par \$10		\$2 1/2 Sep 13	\$5 Mch 18	\$3 1/2 Oct	\$7 1/2 Jan
*56 1/2 57 1/2	57 1/2 57 1/2	58 58 1/2	57 1/2 58 1/2	58 1/2 58 1/2	58 1/2 58 1/2	8,400	Goodrich (B F)		75 Sep 6	81 Sep 6		
*18 18 1/2	18 1/2 18 1/2	18 1/2 18 1/2	18 1/2 18 1/2	18 1/2 18 1/2	18 1/2 18 1/2	660	Do pref.		108 1/2 Aug 22	108 1/2 Sep 16		
*125 125	124 1/2 125 1/2	124 1/2 125 1/2	124 1/2 125 1/2	124 1/2 125 1/2	124 1/2 125 1/2	13,700	dGuggen Explo Par \$25		\$53 J'ly 11	\$82 1/2 J'ne 14		
*5 5 1/2	*5 5 1/2	*5 5 1/2	*5 5 1/2	*5 5 1/2	*5 5 1/2	800	dInsp'n Con Cop Par \$20		105 1/2 Feb 1	120 1/2 Sep 10	99 1/2 Sep	129 1/2 May
*19 1/2 20 1/2	*20 1/2 21 1/2	*20 1/2 21 1/2	*20 1/2 21 1/2	*20 1/2 21 1/2	*20 1/2 21 1/2	2,200	International Harvester		105 1/2 Jan 26	121 1/2 Apr 4	115 Sep	128 1/2 May
15 1/2 15 1/2	15 1/2 15 1/2	15 1/2 15 1/2	15 1/2 15 1/2	15 1/2 15 1/2	15 1/2 15 1/2	1,750	Do pref.		4 Mch 7	7 1/2 Mch 29	3 1/2 Sep	4 1/2 Jan
*56 1/2 57	*56 1/2 57	*56 1/2 57	*56 1/2 57	*56 1/2 57	*56 1/2 57	1,900	International Paper		15 1/2 J'ly 30	26 Mch 29	14 Aug	22 1/2 Dec
*26 27	*26 27	27 27 1/2	27 1/2 27 1/2	27 1/2 27 1/2	27 1/2 27 1/2	410	Do pref.		98 Jan 17	1 1/2 May 23	5 Sep	13 1/2 Jan
*80 81 1/2	*81 1/2 81 1/2	*81 1/2 81 1/2	*81 1/2 81 1/2	*81 1/2 81 1/2	*81 1/2 81 1/2	800	Internat Steam Pump		24 1/2 J'ne 3	34 Jan 2	44 1/2 May	56 1/2 Jan
	*72 1/2 72 1/2	73 73	72 1/2 73	72 1/2 73	72 1/2 73	350	Do pref.		79 Feb 1	84 1/2 Apr 8	80 Oct	90 1/2 J'ne
*105 1/2 106	*105 1/2 106	*105 1/2 106	*105 1/2 106	*105 1/2 106	*105 1/2 106	100	Kresge Co (S S)		72 1/2 Sep 18	74 Sep 18		
*214 216 1/2	*214 216 1/2	*214 216 1/2	*214 216 1/2	*214 216 1/2	*214 216 1/2	100	Do pref.		101 Sep 17	103 Sep 18		
116 118	114 115	115 115 1/2	114 118	114 117	114 118	2,500	Lacide Gas (St L) com		104 Mch 16	108 1/2 Jan 4	101 1/2 Sep	114 1/2 Jan
44 1/2 44 1/2	44 1/2 44 1/2	44 1/2 44 1/2	44 1/2 44 1/2	44 1/2 44 1/2	44 1/2 44 1/2	1,200	Liggett & Myers Tobacco		185 1/2 Jan 16	217 1/2 Sep 10		
*103 1/2 103 1/2	*103 1/2 103 1/2	*103 1/2 103 1/2	*103 1/2 103 1/2	*103 1/2 103 1/2	*103 1/2 103 1/2	1,100	Do preferred		105 1/2 Jan 22	118 Aug 9		
*90 1/2 91	*90 1/2 91 1/2	*90 1/2 91 1/2	*90 1/2 91 1/2	*90 1/2 91 1/2	*90 1/2 91 1/2	100	Loose-Wiles Bk tr co cts		43 J'ly 22	47 1/2 J'ly 26		
*85 1/2 86	*85 1/2 86	*85 1/2 86	*85 1/2 86	*85 1/2 86	*85 1/2 86	550	Do 1st pref.		90 J'ly 22	92 1/2 J'ly 26		
*80 1/2 82 1/2	*80 1/2 82 1/2	*80 1/2 82 1/2	*80 1/2 82 1/2	*80 1/2 82 1/2	*80 1/2 82 1/2	900	Do 2d pref.		103 J'ly 22	104 1/2 J'ly 26		
*107 108	*105 1/2 106 1/2											

New York Stock Exchange—Bond Record, Friday, Weekly and Yearly

Jan. 1 1900 the Exchange method of quoting bonds was changed, and prices are now all—"and interest"—except for income and defaulted bonds.

BONDS										BONDS									
N. Y. STOCK EXCHANGE										N. Y. STOCK EXCHANGE									
Week Ending Sept. 20.										Week Ending Sept. 20.									

MISCELLANEOUS BONDS—Continued on Next Page.

* No price Friday; latest bid and asked this week. a Due Jan. b Due Feb. d Due April. h Due July. k Due Aug. e Due Oct. s Option sale.

MISCELLANEOUS BONDS—Continued on Next Page.

* No price Friday; latest bid and asked. *a* Due Jan. *b* Due Feb. *c* Due May. *d* Due June. *h* Due July. *o* Due Oct. *p* Due Nov. *s* Option sale.

N. Y. STOCK EXCHANGE Week Ending Sept. 20.					N. Y. STOCK EXCHANGE Week Ending Sept. 20.				
Bonds	Price	Week's	Range		Bonds	Price	Week's	Range	
	Friday	Range or	Since			Friday	Range or	Since	
	Sept. 20	Last Sale	Jan. 1			Sept. 20	Last Sale	Jan. 1	
St L & San Fran (Con)	112 1/4	111 1/4	115 1/4	J'ly '12	Wabash 1st gold 5s	103 3/4	103 3/4	103 3/4	J'ly '12
K C F S & M con g 6s	103 1/4	103 1/4	103 1/4	J'ly '12	2d gold 5s	103 3/4	103 3/4	103 3/4	J'ly '12
K C F S & M Ry ref g 4s	103 1/4	103 1/4	103 1/4	J'ly '12	Debuture Series B	103 3/4	103 3/4	103 3/4	J'ly '12
Registered	103 1/4	103 1/4	103 1/4	J'ly '12	1st lien equip s fd g 5s	103 3/4	103 3/4	103 3/4	J'ly '12
K C & M R & B 1st gu 5s	103 1/4	103 1/4	103 1/4	J'ly '12	1st lien 50-yr term 4s	103 3/4	103 3/4	103 3/4	J'ly '12
Ozark & Ch C 1st gu 5s	103 1/4	103 1/4	103 1/4	J'ly '12	1st ref and ext g 4s	103 3/4	103 3/4	103 3/4	J'ly '12
St L S W 1st g 4s bd cts	103 1/4	103 1/4	103 1/4	J'ly '12	Cent Trust Co cts	103 3/4	103 3/4	103 3/4	J'ly '12
2d g 4s inc bond cts	103 1/4	103 1/4	103 1/4	J'ly '12	Do Stamped	103 3/4	103 3/4	103 3/4	J'ly '12
Consol gold 4s	103 1/4	103 1/4	103 1/4	J'ly '12	Equit Tr st Co cts	103 3/4	103 3/4	103 3/4	J'ly '12
Gray's Pt Ter 1st gu g 5s	103 1/4	103 1/4	103 1/4	J'ly '12	Do Stamped	103 3/4	103 3/4	103 3/4	J'ly '12
S A & A Pass 1st gu g 4s	103 1/4	103 1/4	103 1/4	J'ly '12	Det & Ch Ext 1st g 5s	103 3/4	103 3/4	103 3/4	J'ly '12
S F & N P 1st sink f g 5s	103 1/4	103 1/4	103 1/4	J'ly '12	Des Moin Div 1st g 4s	103 3/4	103 3/4	103 3/4	J'ly '12
Seaboard Air Line g 4s	103 1/4	103 1/4	103 1/4	J'ly '12	Om Div 1st g 3 1/2s	103 3/4	103 3/4	103 3/4	J'ly '12
Gold 4s stamped	103 1/4	103 1/4	103 1/4	J'ly '12	Tol & Ch Div 1st g 4s	103 3/4	103 3/4	103 3/4	J'ly '12
Registered	103 1/4	103 1/4	103 1/4	J'ly '12	Wab Pitts Term 1st g 4s	103 3/4	103 3/4	103 3/4	J'ly '12
Adjustment 5s	103 1/4	103 1/4	103 1/4	J'ly '12	Cent & Old Col Tr Co cts	103 3/4	103 3/4	103 3/4	J'ly '12
Refunding 4s	103 1/4	103 1/4	103 1/4	J'ly '12	Columbia Tr Co cts	103 3/4	103 3/4	103 3/4	J'ly '12
At-Birm 30-yr 1st g 4s	103 1/4	103 1/4	103 1/4	J'ly '12	2d gold 4s	103 3/4	103 3/4	103 3/4	J'ly '12
Car Cent 1st con g 4s	103 1/4	103 1/4	103 1/4	J'ly '12	Trust Co cts	103 3/4	103 3/4	103 3/4	J'ly '12
Fla Cen & Pen 1st g 5s	103 1/4	103 1/4	103 1/4	J'ly '12	Wash Term 1st gu 3 1/2s	103 3/4	103 3/4	103 3/4	J'ly '12
Consol gold 5s	103 1/4	103 1/4	103 1/4	J'ly '12	1st 40-yr guar 4s	103 3/4	103 3/4	103 3/4	J'ly '12
Ga & Ala Ry 1st con 5s	103 1/4	103 1/4	103 1/4	J'ly '12	West Maryland 1st g 4s	103 3/4	103 3/4	103 3/4	J'ly '12
Ga Car & No 1st gu g 5s	103 1/4	103 1/4	103 1/4	J'ly '12	West N Y & Pa 1st g 5s	103 3/4	103 3/4	103 3/4	J'ly '12
Seab & Roa 1st 5s	103 1/4	103 1/4	103 1/4	J'ly '12	Gen gold 4s	103 3/4	103 3/4	103 3/4	J'ly '12
Southern Pacific Co—					Income 5s	103 3/4	103 3/4	103 3/4	J'ly '12
Gold 4s (Cent Pac coll)	103 1/4	103 1/4	103 1/4	J'ly '12	Wheeling & L E 1st g 5s	103 3/4	103 3/4	103 3/4	J'ly '12
Registered	103 1/4	103 1/4	103 1/4	J'ly '12	Wheel Div 1st gold 5s	103 3/4	103 3/4	103 3/4	J'ly '12
20-year conv 4s	103 1/4	103 1/4	103 1/4	J'ly '12	Exten & Imp gold 5s	103 3/4	103 3/4	103 3/4	J'ly '12
Cent Pac 1st ref gu g 4s	103 1/4	103 1/4	103 1/4	J'ly '12	RR 1st consol 4s	103 3/4	103 3/4	103 3/4	J'ly '12
Registered	103 1/4	103 1/4	103 1/4	J'ly '12	20-year equip s f 5s	103 3/4	103 3/4	103 3/4	J'ly '12
Mort guar gold 3 1/2s	103 1/4	103 1/4	103 1/4	J'ly '12	Winston-Salem S B 1st 4s	103 3/4	103 3/4	103 3/4	J'ly '12
Through St L 1st gu 4s	103 1/4	103 1/4	103 1/4	J'ly '12	Wis Cent 50-yr 1st 4s	103 3/4	103 3/4	103 3/4	J'ly '12
G H & S A M & P 1st 5s	103 1/4	103 1/4	103 1/4	J'ly '12	Sup & Dul div & term 1st 4s	103 3/4	103 3/4	103 3/4	J'ly '12
Gila V G & N 1st gu g 5s	103 1/4	103 1/4	103 1/4	J'ly '12	Manufacturing and Industrial				
Hous E & W T 1st g 5s	103 1/4	103 1/4	103 1/4	J'ly '12	Allis-Chalmers 1st 5s	103 3/4	103 3/4	103 3/4	J'ly '12
1st guar 5s red	103 1/4	103 1/4	103 1/4	J'ly '12	Trust Co cts deposit	103 3/4	103 3/4	103 3/4	J'ly '12
H & T C 1st g 5s int gu	103 1/4	103 1/4	103 1/4	J'ly '12	Am Ag Chem 1st c 5s	103 3/4	103 3/4	103 3/4	J'ly '12
Consol g 5s int guar	103 1/4	103 1/4	103 1/4	J'ly '12	Am Cot Oil ext 4 1/2s	103 3/4	103 3/4	103 3/4	J'ly '12
Gen gold 4s int guar	103 1/4	103 1/4	103 1/4	J'ly '12	Debuture 5s	103 3/4	103 3/4	103 3/4	J'ly '12
Waco & N W div 1st g 5s	103 1/4	103 1/4	103 1/4	J'ly '12	Am Hide & L 1st s f g 6s	103 3/4	103 3/4	103 3/4	J'ly '12
A & N W 1st g 5s	103 1/4	103 1/4	103 1/4	J'ly '12	Am Ice Secur deb g 6s	103 3/4	103 3/4	103 3/4	J'ly '12
Morgan's La & T 1st 7s	103 1/4	103 1/4	103 1/4	J'ly '12	Am Smelt Securities s f 6s	103 3/4	103 3/4	103 3/4	J'ly '12
1st gold 6s	103 1/4	103 1/4	103 1/4	J'ly '12	Am Spirits Mfg 1st g 6s	103 3/4	103 3/4	103 3/4	J'ly '12
N Y Tex & M gu 4s g	103 1/4	103 1/4	103 1/4	J'ly '12	Am Thread 1st col tr 4s	103 3/4	103 3/4	103 3/4	J'ly '12
Of Cal guar g 5s	103 1/4	103 1/4	103 1/4	J'ly '12	Am Tobacco 40-yr g 6s	103 3/4	103 3/4	103 3/4	J'ly '12
Ore & Cal 1st guar g 5s	103 1/4	103 1/4	103 1/4	J'ly '12	Registered	103 3/4	103 3/4	103 3/4	J'ly '12
So Pac of Cal—Gu g 5s	103 1/4	103 1/4	103 1/4	J'ly '12	Certificates of deposit	103 3/4	103 3/4	103 3/4	J'ly '12
So Pac Coast 1st gu 4s	103 1/4	103 1/4	103 1/4	J'ly '12	Gold 4s	103 3/4	103 3/4	103 3/4	J'ly '12
San Fran Term 1st 4s	103 1/4	103 1/4	103 1/4	J'ly '12	Registered	103 3/4	103 3/4	103 3/4	J'ly '12
Tex & N O Sab Div 1st g 6s	103 1/4	103 1/4	103 1/4	J'ly '12	Certificates of deposit	103 3/4	103 3/4	103 3/4	J'ly '12
Con gold 5s	103 1/4	103 1/4	103 1/4	J'ly '12	Am Write Paper 1st s f 5s	103 3/4	103 3/4	103 3/4	J'ly '12
So Pac RR 1st ref 4s	103 1/4	103 1/4	103 1/4	J'ly '12	Raidw Loco Works 1st 5s	103 3/4	103 3/4	103 3/4	J'ly '12
Southern 1st consol g 5s	103 1/4	103 1/4	103 1/4	J'ly '12	Beth Steel 1st ext s f 5s	103 3/4	103 3/4	103 3/4	J'ly '12
Registered	103 1/4	103 1/4	103 1/4	J'ly '12	Cent Leather 20-year g 5s	103 3/4	103 3/4	103 3/4	J'ly '12
Develop & gen 4s Ser A	103 1/4	103 1/4	103 1/4	J'ly '12	Consol Tobacco g 4s	103 3/4	103 3/4	103 3/4	J'ly '12
Mob & Ohio coll tr g 4s	103 1/4	103 1/4	103 1/4	J'ly '12	Registered	103 3/4	103 3/4	103 3/4	J'ly '12
Mem Div 1st g 4 1/2s	103 1/4	103 1/4	103 1/4	J'ly '12	Corn Prod Ref s f g 5s	103 3/4	103 3/4	103 3/4	J'ly '12
St Louis div 1st g 4s	103 1/4	103 1/4	103 1/4	J'ly '12	1st 25-year s f 5s	103 3/4	103 3/4	103 3/4	J'ly '12
Ala Cen R 1st g 6s	103 1/4	103 1/4	103 1/4	J'ly '12	Cuban-Amer Sugar coll tr 6s	103 3/4	103 3/4	103 3/4	J'ly '12
Atl & Danv 1st g 4s	103 1/4	103 1/4	103 1/4	J'ly '12	Distl Sec Cor conv 1st g 5s	103 3/4	103 3/4	103 3/4	J'ly '12
2d 4s	103 1/4	103 1/4	103 1/4	J'ly '12	E I du Pont Powder 4 1/2s	103 3/4	103 3/4	103 3/4	J'ly '12
Atl & Yad 1st g guar 4s	103 1/4	103 1/4	103 1/4	J'ly '12	Gen Electric deb g 3 1/2s	103 3/4	103 3/4	103 3/4	J'ly '12
Col & Greenv 1st 6s	103 1/4	103 1/4	103 1/4	J'ly '12	10-yr g deb 5s	103 3/4	103 3/4	103 3/4	J'ly '12
ET Va & Ga Div g 5s	103 1/4	103 1/4	103 1/4	J'ly '12	Gen'l Motors 1st lien 6s	103 3/4	103 3/4	103 3/4	J'ly '12
Con 1st gold 5s	103 1/4	103 1/4	103 1/4	J'ly '12	Ill Steel deb 4 1/2s	103 3/4	103 3/4	103 3/4	J'ly '12
E Ten rear lien g 5s	103 1/4	103 1/4	103 1/4	J'ly '12	Indiana Steel 1st 5s (rects)	103 3/4	103 3/4	103 3/4	J'ly '12
Ga Midland 1st g 5s	103 1/4	103 1/4	103 1/4	J'ly '12	Int Paper Co 1st con g 6s	103 3/4	103 3/4	103 3/4	J'ly '12
Ga Pac Ry 1st g 5s	103 1/4	103 1/4	103 1/4	J'ly '12	Consol conv s f g 5s	103 3/4	103 3/4	103 3/4	J'ly '12
Knox & Ohio 1st g 6s	103 1/4	103 1/4	103 1/4	J'ly '12	Int St Pump 1st s f 5s	103 3/4	103 3/4	103 3/4	J'ly '12
Mob & Blr prior lien g 5s	103 1/4	103 1/4	103 1/4	J'ly '12	Laokaw Steel 1st g 5s	103 3/4	103 3/4	103 3/4	J'ly '12
Mortgage gold 4s	103 1/4	103 1/4	103 1/4	J'ly '12	1st con 5s Series A	103 3/4	103 3/4	103 3/4	J'ly '12
Rich & Dan con g 6s	103 1/4	103 1/4	103 1/4	J'ly '12	5-year convertible 5s	103 3/4	103 3/4	103 3/4	J'ly '12
Deb 5s stamped	103 1/4	103 1/4	103 1/4	J'ly '12	Ligg & Myers Tob Co 7s tpy bds	103 3/4	103 3/4	103 3/4	J'ly '12
Rich & Meek 1st g 4s	103 1/4	103 1/4	103 1/4	J'ly '12	5s temporary bonds	103 3/4	103 3/4	103 3/4	J'ly '12
So Car & Ga 1st g 5s	103 1/4	103 1/4	103 1/4	J'ly '12	Mexican Petrol Ltd env 6s A '21	103 3/4	103 3/4	103 3/4	J'ly '12
Virginia Mid Ser C 5s	103 1/4	103 1/4	103 1/4	J'ly '12	Nat Enam & Stpg 1st 5s	103 3/4	103 3/4	103 3/4	J'ly '12
Series D 4s	103 1/4	103 1/4	103 1/4	J'ly '12	Nat Starch 20-yr deb 5s	103 3/4	103 3/4	103 3/4	J'ly '12
Series E 5s	103 1/4	103 1/4	103 1/4	J'ly '12	National Tube 1st 5s recta	103 3/4	103 3/4	103 3/4	J'ly '12
Series F 5s	103 1/4	103 1/4	103 1/4	J'ly '12	N Y Air Brake 1st conv 6s	103 3/4	103 3/4	103 3/4	J'ly '12
General 5s	103 1/4	103 1/4	103 1/4	J'ly '12	Lorillard Co 7s temp'ry bds	103 3/4	103 3/4	103 3/4	J'ly '12
Va & So'w't 1st gu 5s	103 1/4	103 1/4	103 1/4	J'ly '12	5s temporary bonds	103 3/4	103 3/4	103 3/4	J'ly '12
1st cons 50-year 5s	103 1/4	103 1/4	103 1/4	J'ly '12	Ry Steel Spgs 1st s f 5s	103 3/4	103 3/4	103 3/4	J'ly '12
WO & W 1st ey gu 4s	103 1/4	103 1/4	103 1/4	J'ly '12	Repub I & S 1st col tr 5s	103 3/4	103 3/4	103 3/4	J'ly '12
West N C 1st con g 6s	103 1/4	103 1/4	103 1/4	J'ly '12	10-30-year 5s s f	103 3/4	103 3/4	103 3/4	J'ly '12
Spokane Internat 1st g 5s	103 1/4	103 1/4	103 1/4	J'ly '12	Standard Milling 1st 5s	103 3/4	103 3/4	103 3/4	J'ly '12
Ter A of St L 1st g 4 1/2s	103 1/4	103 1/4	103 1/4	J'ly '12	The Texas Co conv deb 5s	103 3/4	103 3/4	103 3/4	J'ly '12
1st con gold 5s	103 1/4	103 1/4	103 1/4	J'ly '12	Union Bag & Paper 1st 5s	103 3/4	103 3/4	103 3/4	J'ly '12
Refund s f g 4s	103 1/4	103 1/4	103 1/4	J'ly '12	Stamped	103 3/4	103 3/4	103 3/4	J'ly '12
St L M Bge Ter gu g 5s	103 1/4	103 1/4	103 1/4	J'ly '12	U S Leath Co s f deb g 5s	103 3/4	103 3/4	103 3/4	J'ly '12
Tex & Pac 1st gold 5s	103 1/4	103 1/4	103 1/4	J'ly '12	U S Realty & I conv deb g 5s	103 3/4	103 3/4	103 3/4	J'ly '12
2d gold inc 5s	103 1/4	103 1/4	103 1/4	J'ly '12	U S Red & Ref 1st g 6s	103 3/4	103 3/4	103 3/4	J'ly '12
La Div B L 1st g 5s	103 1/4	103 1/4	103 1/4	J'ly '12	U S Rubber 10-yr coll tr 6s	103 3/4	103 3/4	103 3/4	J'ly '12
W Min W & N W 1st gu 5s	103 1/4	103 1/4	103 1/4	J'ly '12	Registered	103 3/4	103 3/4	103 3/4	J'ly '12
Tol & O C 1st g 5s	103 1/4	103 1/4	103 1/4	J'ly '12	U S Steel Corp—coup	103 3/4	103 3/4	103 3/4	J'ly '12
Western Div 1st g 5s	103 1/4	103 1/							

STOCKS—HIGHEST AND LOWEST SALE PRICES.						Sales of the Week Shares.	STOCKS CHICAGO STOCK EXCHANGE		Range for Year 1912		Range for Previous Year 1911.	
Saturday Sept. 14.	Monday Sept. 16.	Tuesday Sept. 17.	Wednesday Sept. 18.	Thursday Sept. 19.	Friday Sept. 20.		Lowest.	Highest.	Lowest.	Highest.		
*30 35	*30 35	30 30	30 1/4 30 1/4	*30 35	*30 35	150	Chicago Elev Rys com...	30 Aug 28	40 Apr 24	21 J'ly	32 Dec	
*89 92	*89 92	*89 92	*89 92	Last Sale	32 1/2 Aug 12	---	Do pref.	90 May 27	93 1/4 Jan 20	85 J'ly	94 Nov	
*85 90	*85 90	*85 90	*85 90	Last Sale	30 Sept 12	---	Chic Rys part ctf "1"	85 J'ly 15	104 1/8 Jan 18	80 Apr	101 Aug	
25 1/2 25 1/2	25 1/2 25 1/2	25 25	25 25	25 1/2 25 1/2	25 1/2 25 1/2	440	Chic Rys part ctf "2"	24 Aug 8	38 Jan 9	20 1/4 May	37 1/2 Dec	
*9 9 1/4	*9 9 1/4	*9 9 1/4	*9 9 1/4	*9 9 1/4	*9 9 1/4	25	Chic Rys part ctf "3"	6 J'ne 13	11 Jan 12	8 May	12 1/2 Aug	
*3 1/2 4	*3 1/2 4	*3 1/2 4	*3 1/2 4	Last Sale	1 Sept 12	---	Chic Rys part ctf "4"	3 1/2 J'ly 5	5 1/8 Jan 13	4 1/2 Mch	7 1/2 Aug	
*15 1/2 17	*15 1/2 17	*17 1/2 25	*17 1/2 25	Last Sale	18 Aug 12	---	Kansas City Ry & Lt. 100	14 1/4 Aug 8	21 May 1	15 Sep	25 Feb	
*40 1/2 41 1/2	*40 1/2 41 1/2	*38 42	*38 42	Last Sale	40 1/2 Aug 12	---	Do pref.	40 1/2 J'ne 14	50 1/2 Jan 19	39 Sep	72 1/2 Feb	
*10 1/2 10 1/2	*9 1/2 10 1/2	*9 1/2 10 1/2	*10 10 1/2	10 1/2 10 1/2	10 1/2 10 1/2	45	Streets W Stable C L 100	6 Mch 28	11 1/2 Apr 10	7 Dec	13 1/4 Feb	
*50 51	*50 51	*50 51	*50 51	Last Sale	50 Aug 12	---	Do pref.	35 Jan 30	52 J'ne 20	38 Nov	50 Jan	
39 3/8 39 3/8	40 41 1/4	41 1/2 42 1/4	42 42 3/4	42 1/4 44 1/4	44 1/4 45 3/8	3,450	Miscellaneous	11 1/2 Jan 2	45 1/2 Sep 20	9 Jan	12 1/2 May	
*119 120	119 1/4 121 1/4	120 1/4 121 1/4	121 121	123 126	125 125 1/2	800	Do pref.	91 Feb 1	126 Sep 19	76 1/8 Jan	93 Dec	
*400	*400	*400	*400	Last Sale	405 July 12	---	American Radiator...	325 Feb 1	405 J'ly 2	265 Jan	304 Oct	
*130 138	*130 138	*130 138	*130 138	Last Sale	135 Aug 12	---	Do pref.	131 Jan 15	135 Apr 30	120 1/2 Mch	133 Nov	
*53 56	56 56	56 56	59 60	59 59	59 59	556	Amer Shipbuilding...	100 Aug 7	60 Sep 18	48 Nov	79 Feb	
*102 103	*102 103	*100 103	*100 103	Last Sale	102 Sept 12	---	Do pref.	100 Feb 6	104 1/4 J'ne 20	108 1/2 Sep	113 May	
*143 144	*143 144	*143 144	*144 144 1/2	*144 145	144 1/4 144 1/4	50	Amer Telep & Teleg...	139 Jan 11	148 1/2 Mch 17	131 1/2 Aug	152 1/4 J'ne	
*55 59	*55 59	*55 59	*55 59	Last Sale	59 Aug 12	---	Booth Fisheries com...	39 Mch 14	66 1/2 May 2	35 Apr	59 1/4 Mch	
*90 90 1/2	*90 90 1/2	*90 90 1/2	*90 1/2 90 1/2	90 1/2 90 1/2	89 90	295	Voting trust ctf...	43 1/2 Feb 28	50 Jan 9	38 J'ne	57 1/2 Mch	
*55 58	*55 58	*55 58	*55 58	Last Sale	58 Aug 12	---	Do 1st pref.	77 Mch 14	95 J'ne 5	60 Sep	88 1/2 Dec	
*52 52 1/2	*52 52 1/2	*52 52 1/2	*52 52 1/2	52 1/2 52 1/2	52 1/2 53 1/2	368	Cal & Chic Canal & D 100	49 Feb 9	65 1/2 May 13	49 1/2 Apr	52 Feb	
*213 215	215 215	*213 215	*213 215	*210 215	*210 215	1	Chic Pneumatic Tool 100	44 Mch 15	53 1/8 Aug 28	39 1/2 Sep	55 1/2 Feb	
138 1/2 138 1/2	138 1/2 138 1/2	138 1/2 138 1/2	139 139	138 1/2 139	138 1/2 138 1/2	30 1/2	Chicago Telephone...	137 1/2 Jan 4	144 Mch 9	115 Jan	141 1/2 Nov	
*15 1/2 16	*15 1/2 16	*15 1/2 16	*15 1/2 16	Last Sale	16 Sept 12	---	Chicago Title & Trust 100	184 Jan 4	222 J'ne 20	151 1/2 Jan	180 Dec	
*106 107	106 107	107 107	106 107	Last Sale	78 Jan 11	---	Commonw'th-Edison 100	135 1/2 Jan 4	150 Mch 7	113 Jan	137 1/2 J'ly	
*99 100 1/4	*99 100 1/4	*99 100 1/4	*99 100 1/4	Last Sale	78 Jan 11	---	Corn Prod Ref Co com...	10 Feb 12	17 1/8 Apr 26	9 1/2 Oct	15 1/2 J'ne	
*67 68	68 1/2 68 1/2	68 1/2 68 1/2	68 1/2 69	69 1/2 70 1/4	69 1/2 70 1/4	1,052	Do do pref.	103 J'ly 5	111 1/4 Feb 5	72 1/2 Jan	78 Jan	
---	---	---	---	---	---	520	Diamond Match...	95 1/2 Sep 20	102 1/2 Mch 8	100 Sep	103 1/4 Nov	
*75 76 1/2	*75 76 1/2	*75 76 1/2	*75 76 1/2	Last Sale	76 1/2 Aug 12	---	Hart Shaffner & Marx pf...	56 Jan 2	70 1/4 Sep 20	49 1/2 Sep	70 Jan	
*136 138	*136 138	*136 138	*138 140	138 139	138 139	150	Illinois Brick...	106 Feb 14	126 1/8 Sep 10	99 1/4 Sep	129 May	
*125 1/2 129	*125 1/2 129	*125 1/2 129	*124 126	*124 126	123 1/2 123 1/2	10	Knickerbocker Ice pref...	67 May 1	76 1/8 Aug 6	---	---	
*119 122	*119 122	*119 122	*119 122	120 120	122 124	150	National Biscuit...	131 J'ly 26	161 1/2 Apr 30	117 1/2 Jan	142 1/2 Dec	
*117 1/2 120	*117 1/2 120	118 118	*117 1/2 120	117 1/2 117 1/2	---	65	Do pref.	123 1/2 Sep 20	130 1/4 May 28	123 Jan	130 Mch	
64 1/4 64 1/4	64 1/4 64 1/4	64 1/4 64 1/4	63 1/8 64	64 1/4 64 1/4	---	55	National Carbon...	103 Mch 5	124 Sep 20	100 Aug	120 Mch	
*91 1/2	*91 1/2	*91 1/2	*91 1/2	Last Sale	60 May 12	---	Do pref.	115 Feb 11	120 Jan 2	117 Sep	120 Mch	
116 116	116 116	117 117	117 117	*91	*91	770	Pacific Gas & El Co	2 61 J'ly 2	3 67 Apr 22	---	---	
*89 1/4 90	*89 1/4 90	*89 1/4 90	*89 1/4 90	117 117 1/2	117 1/4 117 1/4	6	Do rights	3 60 May 3	2 65 Apr 23	---	---	
*100 10 1/4	*100 10 1/4	*100 10 1/4	*100 10 1/4	*89 1/2 90	*89 1/2 90	5	Do preferred	103 1/2 Jan 2	118 1/4 Aug 15	101 Sep	108 1/8 Jan	
*101 1/2 103	*101 1/2 103	*101 1/2 103	*101 1/2 103	Last Sale	90 May 12	---	People's Gas L & Coke 100	2 84 May 29	2 94 1/2 Apr 24	---	---	
208 1/2 208 1/2	208 1/2 208 1/2	207 1/2 211 1/2	211 1/2 215	*100 101	*100 101	35	Pub Serv of No Ill com...	2 83 May 18	2 11 1/2 Apr 24	---	---	
122 1/2 122 1/2	*122 123	*122 123	123 123	Last Sale	102 1/2 Aug 12	---	Do rights	2 100 May 31	2 107 1/2 Apr 24	---	---	
*43 44	*43 44	*43 44	*42 44	212 213 1/2	212 213	4,231	Do preferred	2 99 1/2 Apr 2	2 102 1/2 Aug 19	123 1/4 Sep	192 1/4 Jan	
*94 95	*94 95	*94 95	*94 95	122 1/2 123 1/2	123 1/2 123 1/2	40	Rumely Co, preferred	140 Jan 5	221 Sep 9	116 Sep	122 Mch	
105 1/4 106	105 1/4 106	105 1/4 106	106 106 1/2	Last Sale	43 Aug 12	---	Sears-Roebook com...	121 1/2 Jan 11	125 1/4 J'ne 8	---	---	
*295 300	*295 300	*295 300	*296 300	Last Sale	47 1/2 Aug 12	---	Do pref.	30 1/2 J'ly 18	49 Aug 9	---	---	
*108 1/2 109	*108 1/2 109	*108 108 1/2	*108 108 1/2	106 106 1/2	106 1/2 106 1/2	1,012	Studebaker Corp com...	94 1/2 J'ly 18	97 1/2 Aug 7	97 1/4 Sep	104 J'ne	
183 1/2 187 1/4	184 1/2 187 1/4	186 188	184 1/2 187	*296 300	300 300	60	Do preferred	98 1/2 Jan 2	109 1/4 Apr 4	165 Mch	212 Dec	
---	---	---	---	108 108	---	24	Swift & Co...	215 Jan 15	305 Aug 5	102 1/2 Feb	107 1/2 J'ly	
*114 115	*114 115	*114 115	*114 115	184 1/2 185 1/2	185 187 1/2	1,672	The Quaker Oats Co 100	105 1/2 Jan 2	110 Jan 15	---	---	
72 1/4 72 1/4	72 1/4 72 1/4	72 1/4 72 1/4	74 1/4 74 1/4	Last Sale	4 1/2 May 12	---	Do pref.	2 135 1/4 May 8	188 Sep 17	---	---	
*9 10 1/4	*9 10 1/4	*9 10 1/4	*9 10 1/4	Last Sale	13 1/2 Sept 12	---	Union Carbide Co	2 31 May 2	2 6 May 22	1 Dec	7 Jan	
---	---	---	---	Last Sale	13 1/2 Sept 12	---	Do rights	2 3 1/2 May 2	1 7 Jan 18	50 1/2 Oct	81 1/8 Feb	
---	---	---	---	Last Sale	10 July 12	---	Unit Box Bd & P Co 100	58 1/2 Feb 13	75 1/4 Sep 20	1 1/2 Dec	5 1/2 Jan	
---	---	---	---	Last Sale	---	---	United States Steel com...	10 Jan 17	14 1/2 Feb 7	---	---	
---	---	---	---	---	---	---	Western Stone 100	---	---	---	---	

SHARE PRICES—NOT PER CENTUM PRICES						Sales of the Week Shares	STOCKS BOSTON STOCK EXCHANGE		Range since January 1 On basis of 100-share lots		Range for Previous Year 1911		
Saturday Sept. 14	Monday Sept. 16	Tuesday Sept. 17	Wednesday Sept. 18	Thursday Sept. 19	Friday Sept. 20		Lowest	Highest			Lowest	Highest	
107 1/2	107 1/2	107 1/2	108	108	108 1/2	108 1/2	60	Atch Top & Santa Fe	100	103 1/2	Feb 10	110 1/2	Aug 15
*102	102 1/2	*101 1/2	102	102 1/2	102 1/2	102 1/2	1	Do pref	100	101 1/2	Jan 12	104 1/2	Feb 7
*214	*214	*214	212	212	212	212	33	Boston & Albany	100	212	Sep 13	222 1/2	Apr 3
*125	126	*125	126	125 1/2	125	125	81	Boston Elevated	100	120	Aug 7	134 1/2	Mch 25
*205	205	*205	205	205	205	205	2	Boston & Lowell	100	204	J'ne 10	218	Jan 4
*97	97 1/2	*97	97	97	97	97	349	Boston & Maine	100	94 1/2	Sep 20	100 1/2	Jan 3
*295	298	*295	298	295	298	298	---	Boston & Providence	100	297	May 8	300	Apr 27
*15	15	*15	15	15	15	15	---	Boston Suburban El Cos	100	13	Jan 24	1	May 2
*78	*78	*78	78	78	78	78	---	Do pref	100	75	Jan 25	80	J'ne 6
*50	53	*50	53	50	53	53	---	Boston & Worcester El Cos	100	9	Aug 14	12 1/2	Jan 6
*169	*169	*169	169	169	169	169	10	Do pref	100	50	Aug 20	57	Jan 8
*107 1/2	*107 1/2	*107 1/2	110	110	110	110	6	Chic June Ry & USY	100	108 1/2	Jan 2	112	J'ne 14
*258	*258	*258	258	258	258	258	---	Connecticut River	100	260	J'ly 24	272	Jan 18
*123	125	*123	125	123	125	125	---	Fitchburg pref	100	122 1/2	J'ne 1	128	Jan 25
*125	*124 1/2	*124 1/2	125 1/2	124 1/2	125 1/2	125 1/2	---	Ga Ry & Elco stmpd	100	124	J'ne 1	179	Apr 1
*84	85	*84	85	84	85	85	20	Do pref	100	84	Sep 16	91 1/2	Jan 6
128 1/2	128 1/2	128 1/2	129	127 1/2	128	128	192	Maine Central	100	125	J'ly 23	147 1/2	May 31
*181 1/2	191 1/2	*181 1/2	191 1/2	181 1/2	191 1/2	191 1/2	126	Mass Electric Cos	100	181 1/2	J'ly 23	231 1/2	Jan 8
76	76	76 1/2	77	77	77	77	311	Do pref stamped	100	76	J'ly 30	83	Feb 28
136 1/2	136 1/2	136 1/2	136 1/2	136 1/2	136 1/2	136 1/2	281	N Y N H & Hartford	100	133 1/2	May 18	142 1/2	Apr 2
130	130	---	---	---	---	---	6	Northern N H	100	130	Sep 14	143	Jan 24
*174	180	*174	178	174	178	178	---	Norwich & Wor pref	100	203	Aug 6	212 1/2	Jan 29
*45	50	*45	50	50	50	50	33	Old Colony	100	47 1/2	J'ne 14	187	Jan 31
168 1/2	168 1/2	*168 1/2	168 1/2	169 1/2	169 1/2	169 1/2	15	Rutland pref	100	41	Jan 2	70	Jan 24
*89	89 1/2	*89 1/2	89 1/2	89 1/2	89 1/2	89 1/2	563	Union Pacific	100	160 1/2	Feb 1	174 1/2	Apr 8
*155	*155	*155	155	152	155	155	---	Do pref	100	90	J'ne 1	92 1/2	Feb 8
*84	85	*84	85	84 1/2	85	85	---	Vermont & Mass	100	157	Aug 2	164	Jan 16
*98	99	*98	99	98	99	99	27	West End St	100	282 1/2	Sep 20	88 1/2	Feb 28
---	---	---	---	---	---	---	2	Do pref	50	98	J'ly 11	103 1/2	Mch 19
58 1/2	58 1/2	57 1/2	58 1/2	57 1/2	58 1/2	58 1/2	833	Amer Agri Chem	100	57 1/2	Sep 16	63 1/2	Mch 23
100 1/2	101	100 1/2	101	101	101 1/2	101 1/2	330	Do pref	100	299 1/2	J'ne 24	105	Mch 12
*4	4 1/2	*4	4 1/2	4	4 1/2	4 1/2	120	Amer Pneu Service	100	3	Aug 2	5 1/2	J'ne 19
*18	19	*18	19	18 1/2	19	19	475	Do pref	50	14	Mch 26	21	J'ne 19
*126 1/2	127	*126 1/2	127	126 1/2	127	127	502	Amer Sugar Refin	100	114 1/2	Jan 10	133 1/2	May 1
122 1/2	122 1/2	123	123	122	123 1/2	123 1/2	171	Do pref	100	115 1/2	Jan 4	123 1/2	Aug 20
143 1/2	144	143 1/2	144	143 1/2	144 1/2	144 1/2	1,803	Amer Tel & Tele	100	137 1/2	Jan 2	149	Mch 26
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91 1/2	91 1/2	91 1/2	91 1/2	91 1/2	91 1/2	91 1/2	1,063	Do pref	100	86	Feb 5	94 1/2	Mch 23
83	83	83	83	82	83	83	10	Amoskeag Manufacturing	100	77	Jan 3	84	May 8
101	101	101	102	101 1/2	102	102	50	Do pref	100	290 1/2	J'ne 21	105	Mch 26
*67 1/2	8	*67 1/2	8	6 1/2	8	8	16	Atl Gulf & W ISS L	100	5	Aug 20	9	Feb 14
*12	14	*12	14	12 1/2	14	14	12	Do pref	100	10 1/2	Aug 21	20	Jan 18
*14	14 1/2	*14	14 1/2	14	14 1/2	14 1/2	615	East Boston Land	100	10 1/2	Jan 2	17 1/2	May 27
291	291	290	291	290 1/2	291	291	106	Edison Elec Illum	100	280	May 23	300	Mch 27
*180	181 1/2	*180	182	181 1/2	182 1/2	182 1/2	93	General Electric	100	155	Jan 2	187 1/2	J'ly 25
88 1/2	88 1/2	88 1/2	88 1/2	89	89 1/2	89 1/2	1,417	Massachusetts Gas Cos	100	288 1/2	J'ly 15	94	Mch 10
96 1/2	96 1/2	95 1/2	96 1/2	95 1/2	96 1/2	96 1/2	200	Do pref	100	93 1/2	Jan 5	98 1/2	Feb 19
*222	230	*222	230	222 1/2	230	230	50	Mergenthaler Lino	100	217	J'ne 21	229	Aug 26
*34	41 1/2	*34	41 1/2	41 1/2	41 1/2	41 1/2	25	Mexican Telephone	100	21	Mch 14	41 1/2	J'ne 26
103	103	*98	101	*98	103	103	5	N E Cotton Yarn	100	100	J'ne 13	105	Jan 18
100 1/2	100 1/2	100 1/2	100 1/2	100	100 1/2	100 1/2	22	Do pref	100	98	J'ne 28	107	Mch 26
154	154	---	---	153	153 1/2	153 1/2	143	N B Telephone	100	150	J'ly 10	164	Mch 14
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167	167	167	167	168	168	168	173	Pullman Co	100	158	Feb 1	174	Aug 21
*16	16 1/2	*16	16 1/2	16	16 1/2	16 1/2	---	Reece Button-Hole	100	13 1/2	Jan 2	17 1/2	Apr 11
105 1/2	106	105 1/2	106	105 1/2	106	106	456	Swift & Co	100	98 1/2	Jan 2	109	Mch 27
28	28	28 1/2	28 1/2	28 1/2	28 1/2	28 1/2	1,096	Torrington	100	27	May 8	32	Jan 10
*28	29	*28	29	28	29	29	20	Do pref	25	28	Jan 5	31	Apr 17
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180	182	174	176 1/2	176 1/2	177 1/2	177 1/2	3,530	United Fruit	100	174	Sep 16	208 1/2	J'ne 19
54 1/2	54 1/2	54 1/2	54 1/2	54	54	54	556	Un Shoe Mach Corp	25	46 1/2	Jan 15	57 1/2	Aug 20
29 1/2	29 1/2	29 1/2	29 1/2	29	29	29	317	Do pref	25	27 1/2	Jan 10	29 1/2	Sep 13
72 1/2	72 1/2	72 1/2	72 1/2	73 1/2	74 1/2	74 1/2	12,280	U S Steel Corp	100	58 1/2	Feb 13	75 1/2	Sep 20
113	113	113	113	113 1/2	113 1/2	113 1/2	55	Do pref	100	107 1/2	Feb 13	113 1/2	Mch 26
7 1/2	8	7 1/2	7 1/2	7 1/2	7 1/2	7 1/2	250	Adventure Con	25	5 1/2	Mch 28	11 1/2	Apr 20
4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	555	Algonah Mining	25	4 1/2	Sep 16	8 1/2	May 1
45 1/2	46	46	46	46	46	46	575	Allouez	25	38 1/2	Feb 1	50 1/2	J'ne 21
86 1/2	86 1/2	86 1/2	87	87	87 1/2	87 1/2	3,504	Amalgamated Copper	100	60	Feb 1	89	Sep 20
30 1/2	30 1/2	30 1/2	30 1/2	31	31 1/2	31 1/2	1,230	Am Zinc Lead & Sm	25	24 1/2	Feb 15	33 1/2	J'ne 22
*4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	1,873	Arizona Com'l cuts dep	25	2	Jan 2	6 1/2	Apr 2
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*6	6 1/2	*6 1/2	7	6 1/2	7	7	375	Bos & Corb Co & Silmg	5	6 1/2	Feb 1	9 1/2	J'ne 6
3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	410	Bute-Balaklava Corp	10	21 1/2	J'ly 25	54	Apr 2
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47 1/2	48 1/2	47 1/2	48 1/2	47 1/2	48 1/2	48 1/2	10,828	Butte & Sup Con (Ltd)	10	19 1/2	Feb 7	51 1/2	J'ne 12
79	79 1/2	79 1/2	80	80 1/2	81 1/2	81 1/2	3,017	Calumet & Arizona	10	67 1/2	Feb 1	83 1/2	Aug 28
540	545	540	540	545	550	550	161	Calumet & Hecla	25	405	Feb 1	56 1/2	Aug 21
17 1/2	19	19	19	19 1/2	19 1/2	19 1/2	395	Centennial	25	17 1/2	Jan 5	27 1/2	Apr 18
*42 1/2	42 1/2	42 1/2	44 1/2	44 1/2	44 1/2	44 1/2	2,606	Chino Copper	5	23 1/2	Feb 28	45	Sep 18
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58	58 1/2	57	57 1/2	57 1/2	57 1/2	57 1/2	1,465	Copper Range Con Co	100	50	Jan 31	66 1/2	Apr 11
*4	4 1/2	*4	4 1/2	4	4 1/2	4 1/2	935	Daly-West	20	4	Sep 17	7 1/2	Mch 27
13 1/2	13 1/2	13 1/2	14 1/2	14 1/2	14 1/2	14 1/2	7,222	Daly Butte Cop Min	10	12 1/2	Jan 15	15 1/2	Apr 11
8	8 1/2	8 1/2	9 1/2	9 1/2	9 1/2	9 1/2	4,345	Franklin	25	8	Sep 14	16 1/2	Apr 1
5 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2	4,185	Gilbreth Consolidated	5	4 1/2	Feb 27	6 1/2	Apr 6
56	56 1/2	56 1/2	57	56 1/2	57 1/2	57 1/2	3,804	Granby Consolidated	100	33	Feb 6	60 1/2	Apr 26
9 1/2	9 1/2	9 1/2	9 1/2	9 1/2	9 1/2	9 1/2	3,484	Greene Cananea	20	7 1/2	Feb 29	10 1/2	J'ne 21
23 1/2	25	24 1/2	24 1/2	25	26 1/2	26 1/2	2,295	Hancock Consolidated	25	23 1/2	Sep 14	37	J'ne 14
*3 1/2	3 1/2	*3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	---	Helvetia Copper	25	09	Aug 26	2	May 8
15	17 1/2	15	15 1/2	15 1/2	15 1/2	15 1/2	4,800	Indiana Mining	25	11 1/2	Jan 16	23	Apr 24
*18	18 1/2	*18	18 1/2	18 1/2	18 1/2	18 1/2	4,915	Inspiration Consol C	20	18	Feb 6	21 1/2	Jan 24
*53	54	*53	54	53 1/2	55	55	1,105	Island Creek Coal	1	40 1/2	Jan 17	65 1/2	J'ne 10
*89	90	*89	90	89	90	90	212	Do pref					

BOSTON STOCK EXCHANGE Week Ending Sept 20.						BOSTON STOCK EXCHANGE Week Ending Sept 20.					
Bonds	Price	Week's	Range	Since		Bonds	Price	Week's	Range	Since	
	Friday	Range	Jan. 1.				Friday	Range	Jan. 1.		
	Sept 20	Last Sale					Sept 20	Last Sale			
Am Agricul Chem 1st 5s	1928	A-O	101 1/2	102 1/2	101 1/2	General Motors 1st 5-yr 6s	1915	A-O	99 1/4	99 1/4	99 1/4
Am Telep & Tel coll tr 4s	1929	J-J	89	89 1/2	89	Gt Nor C B & Q coll tr 4s	1921	J-J	95 1/2	95 1/2	95 1/2
Convertible 4s	1930	M-S	112 1/4	114 1/2	112 1/4	Registered 4s	1921	J-J	95 1/2	95 1/2	95 1/2
Am Writ Paper 1st 5s f 5s g	1919	J-J	89 1/2	90 1/2	89 1/2	Illinois Steel debent 5s	1913	A-O	100	100	100
Am Zinc L & S deb 6s	1915	M-N	131	131 1/2	131	La Falls & Sioux C 1st 7s	1917	A-O	117	117	117
Ariz Com Cop 1st 6s cts of dep	1915	A-O	82	82 1/2	82	Kan C Clin & Spr 1st 5s	1923	A-O	97	97	97
Atch Top & S Fe gen g 4s	1995	A-O	95 1/4	96 1/4	95 1/4	Kan C Ft Scott & Mem 6s	1928	M-N	115	115	115
Adjustment g 4s	July 1995	Nov	91	91 1/2	91	Kan C M & B gen 4s	1934	M-S	92 1/2	92 1/2	92 1/2
Stamped	July 1995	M-N	89 1/2	90 1/2	89 1/2	Assented Income 5s	1934	M-S	86	86	86
50-year conv 4s	1955	J-D	104 1/4	104 1/2	104 1/4	Kan C & M Ry & Br 1st 5s	1929	A-O	103	103	103
10-year conv 5s	1917	J-D	110 1/2	110 1/2	110 1/2	Marq Hough & Ont 1st 6s	1925	A-O	115	115	115
Atl Gulf & W I S S Lines 5s	1959	J-J	63	63	63	Mass Gas 4 1/2s	1929	J-J	97	97	97
Boston Elev 30-yr g 4s	1935	M-N	95 1/2	95 1/2	95 1/2	Mich Telephone 1st 5s	1917	J-J	97	97	97
Boston & Lowell 4s	1916	J-J	100 1/4	100 1/2	100 1/4	New Eng Cotton Yarn 5s	1929	F-A	97	97	97
Boston & Maine 4 1/2s	1944	J-J	104 1/2	104 1/2	104 1/2	New Eng Tel ph 5s	1915	A-O	101 1/2	101 1/2	101 1/2
Improvement 4s	1931	F-A	95	95	95	5s	1915	A-O	100 1/2	100 1/2	100 1/2
Plain 4s	1942	F-A	103	103 1/2	103	New England cons g 5s	1945	J-J	99 1/2	99 1/2	99 1/2
Bur & Mo Riv cons 6s	1918	J-J	103	103 1/2	103	Boston Term 1st 4s	1934	A-O	75	75	75
Cedar Rap & Mo R 1st 7s	1915	M-N	111 1/2	111 1/2	111 1/2	New River (The) conv 5s	1934	J-J	92 1/2	92 1/2	92 1/2
Cent Vermt 1st g 4s	May 1920	Q-F	90 1/4	91 1/2	90 1/4	N Y N H & H con deb 3 1/2s	1934	J-J	128 1/4	128 1/4	128 1/4
C B & Q Iowa Div 1st 5s	1919	A-O	110 1/2	110 1/2	110 1/2	Conv deb 6s	1948	J-J	101	101	101
Iowa Div 1st 4s	1919	A-O	99	99 1/2	99	Old Colony gold 4s	1924	F-A	108 1/2	108 1/2	108 1/2
Debuture 5s	1913	M-N	100 1/2	100 1/2	100 1/2	Oregon Ry & Nav con g 4s	1946	J-D	98 1/2	98 1/2	98 1/2
Denver Exten 4s	1922	F-A	99 1/2	99 1/2	99 1/2	Oreg Sh Line 1st g 6s	1922	F-A	112	112	112
Nebraska Exten 4s	1927	M-N	98 1/2	98 1/2	98 1/2	Pere Marquette deb g 6s	1912	J-J	95	95	95
B & S W s f 4s	1921	M-S	99 1/2	99 1/2	99 1/2	Repub Valley 1st s f 6s	1919	J-J	103 1/4	103 1/4	103 1/4
Illinois Div 3 1/2s	1949	J-J	87 1/2	87 1/2	87 1/2	Savannah Elec 1st cons 5s	1952	J-J	70 1/4	70 1/4	70 1/4
Chic Jct Ry & Stk Yds 5s	1915	J-J	100 1/4	100 1/4	100 1/4	Seattle Elec 1st g 5s	1930	F-A	103 1/2	103 1/2	103 1/2
Coll trust refunding g 4s	1940	A-O	88	88	88	Shannon-Ariz 1st g 6s	1919	M-N	97	97	97
Ch Maw & St P Dub D 6s	1920	J-J	114	114	114	Terre Haute Elec g 5s	1924	J-J	97	97	97
Ch M & St P Wis V div 6s	1920	J-J	113 1/2	113 1/2	113 1/2	Torrington 1st g 5s	1918	M-S	100 1/2	100 1/2	100 1/2
Ch & No Mich 1st g 5s	1931	M-N	91	91	91	Union Pac RR & lgr g 4s	1947	J-J	101 1/2	101 1/2	101 1/2
Chic & W Mich gen 5s	1921	J-D	96 1/4	96 1/4	96 1/4	20-year conv 4s	1924	J-J	101 1/2	101 1/2	101 1/2
Concord & Mont cons 4s	1920	J-D	97 1/2	97 1/2	97 1/2	United Fruit gen s f 4 1/2s	1923	J-J	96 1/2	96 1/2	96 1/2
Cudahy Pack (The) 1st g 5s	1924	M-N	100 1/4	100 1/4	100 1/4	Debuture 4 1/2s	1925	J-J	95 1/2	95 1/2	95 1/2
Current River 1st 5s	1926	A-O	100	100	100	U S Steel Co 10-60-yr 5s Apr	1935	M-N	99 1/2	99 1/2	99 1/2
Det Gr Rap & W 1st 4s	1943	A-O	80 1/4	80 1/4	80 1/4	West End Street Ry 4s	1915	F-A	99	99	99
Dominion Coal 1st s f 5s	1940	M-N	99	99 1/2	99	Gold 4 1/2s	1914	M-S	100 1/4	100 1/4	100 1/4
Fitchburg 4s	1915	M-S	103 1/2	103 1/2	103 1/2	Gold debenture 4s	1916	M-N	98 1/2	98 1/2	98 1/2
4s	1927	M-S	96	96	96	Gold 4s	1917	F-A	98 1/2	98 1/2	98 1/2
Fremt Elk & Mo V 1st 6s	1933	A-O	127 1/2	127 1/2	127 1/2	Western Telep & Tel 5s	1932	J-J	99 1/2	99 1/2	99 1/2
Unstamped 1st 6s	1933	A-O	127 1/2	127 1/2	127 1/2	Wisconsin Cent 1st gen 4s	1949	J-J	93 1/2	93 1/2	93 1/2

NOTE.—Buyer pays accrued interest in addition to the purchase price for all Boston Bonds. * No price Friday: latest bid and asked. † Flat price

Philadelphia and Baltimore Stock Exchanges—Stock Record, Daily, Weekly, Yearly

Share Prices—Not Far Centum Prices						Sales of the Week Shares		ACTIVE STOCKS (For Bonds and Inactive Stocks see below)		Range Since January 1		Range for Previous Year (1911)	
Saturday Sept. 14	Monday Sept. 16	Tuesday Sept. 17	Wednesday Sept. 18	Thursday Sept. 19	Friday Sept. 20					Lowest	Highest	Lowest	Highest
*115 117	*112	*114 1/2	*112 1/2	*115	*110 1/2	10		Baltimore					
17 1/2	17 1/2	17 1/2	17 1/2	17 1/2	17 1/2	2,809		Con Gas El L & Pow. 100	96 Jan 2	117 May 6	64 Jan	95 1/2 Dec	
69 69	68 68	69 69	67 68 1/2	67 67 1/2	67 67 1/2	1,880		Do pref 100	101 Jan 2	116 Apr 3	89 Jan	101 Sep	
126 126 1/2	126 1/2	126 1/2	126 126	*125 1/2	125 1/2	386		Houston Oil tr cts. 100	84 Jan 3	18 Sep 9	7 Mch	10 Aug	
*22 23	*22 1/2	50 1/2	50 1/2	51	*50 1/2	31		Do pref tr cts 100	53 1/2 Jan 5	72 1/2 J'y 1	45 Feb	79 J'y	
26 26 1/2	*26 1/2	26 1/2	26 1/2	*26 1/2	26 1/2	17		Northern Central 50	124 1/2 J'y 31	130 Apr 8	121 Jan	130 1/2 J'ne	
						320		Seaboard Air Line 100	22 1/2 Sep 16	27 1/2 May 4	20 Jan	27 J'ne	
								Do pref 100	45 1/2 Mch 14	55 1/2 J'ne 10	33 Jan	50 Nov	
								United Ry & Electric 50	18 1/4 Jan 2	26 1/2 Sep 9	16 1/2 Jan	19 1/2 J'y	
								Philadelphia					
*44 44 1/2	44 1/2	44 1/2	44 1/2	44 1/2	44 1/2	305		American Cement 50	1 J'ne 14	7 Jan 10	5 Nov	17 1/2 Jan	
47 1/4	47 1/4	47 1/4	47 1/4	47 1/4	47 1/4	16,274		American Railways 50	43 1/2 J'ne 10	45 1/2 Feb 1	42 Jan	46 1/2 Nov	
*12 12	*12	*12	*12	*12	*12	25		Cambria Steel 50	41 1/2 Mch 2	49 1/2 Sep 20	40 1/2 Sep	48 1/2 Feb	
56 1/4	56 1/4	56 1/4	56 1/4	56 1/4	56 1/4	2,947		Electric Co of America 100	11 1/2 J'y 31	12 1/2 J'y 8	11 1/2 Jan	12 1/2 Jan	
31 31	31 31	31 31	31 31	30 30	30 30	1,277		Elec Storage Battery 100	52 1/2 Jan 16	58 1/2 Aug 12	48 1/2 Jan	56 1/2 J'ne	
70 1/2	*70 1/2	70 1/2	70 1/2	70 1/2	70 1/2	1,455		Gen Asphalt tr cts. 100	18 Apr 2	33 1/2 Feb 17	28 1/2 Aug	39 1/4 Oct	
121 1/2	121 1/2	121 1/2	121 1/2	121 1/2	121 1/2	3,468		Do pref tr cts. 100	59 1/2 Apr 2	73 Jan 3	68 Aug	83 1/2 Jan	
34 34	34 34	34 34	34 34	34 34	33 1/2	1,585		Keystone Telephone 50	6 Apr 4	13 Sep 16	6 1/2 Dec	9 1/2 Jan	
90 90	90 90	90 90	90 90	90 90	90 90	3,777		Lake Superior Corp. 100	27 Feb 20	35 1/2 Sep 7	21 1/2 Sep	32 Feb	
83 1/2	*83 1/2	83 1/2	84 1/2	*84 1/2	84 1/2	3,774		Leh C & Nav tr cts. 50	87 1/2 Mch 20	95 1/2 Sep 20	83 1/2 J'ne	98 Jan	
16 1/2	16 1/2	16 1/2	16 1/2	16 1/2	16 1/2	3,075		Lehigh Valley 50	78 1/2 Feb 5	92 1/2 Jan 16	75 1/2 Sep	93 1/2 Dec	
33 33 1/2	33 33 1/2	33 33 1/2	32 33	32 33	32 33	1,480		Lehigh Valley Transit 50	81 1/2 Jan 3	16 1/2 Sep 10	6 1/4 Jan	9 1/2 Oct	
61 1/2	62 61 1/2	62 61 1/2	62 62 1/2	62 62 1/2	62 62 1/2	2,011		Do pref 50	23 Jan 12	33 1/2 Sep 10	18 1/2 Jan	25 1/2 Oct	
*51 1/2	51 1/2	51 1/2	52 52	*52 52	52 52	596		Pennsylvania RR 50	61 1/2 Jan 27	63 1/2 Apr 26	59 1/2 Sep	65 Feb	
24 24	24 24	24 24	24 24	*24 24 1/2	24 24 1/2	3,041		Philadel Co (Pittsb) 50	50 1/2 Jan 11	56 1/2 Feb 16	48 1/2 Sep	59 1/4 J'ne	
28 1/2	28 1/2	28 1/2	28 1/2	28 1/2	28 1/2	4,870		Philadelphia Elec 25	116 1/2 Jan 2	24 1/2 Sep 6	16 1/2 Nov	18 J'y	
*83 1/2	83 1/2	83 1/2	84 84 1/2	84 1/2	84 1/2	3,541		Phil R T vot tr cts. 50	22 1/2 Jan 6	29 Sep 13	17 Apr	24 1/2 Aug	
7 1/2	7 1/2	7 1/2	7 1/2	7 1/2	6 1/2	11,373		Reading 50	74 1/4 Jan 11	84 Apr 30	66 1/2 Sep	80 1/2 Feb	
52 1/2	52 1/2	52 1/2	52 1/2	52 1/2	52 1/2	2,797		Tonopah Mining 1	6 1/2 J'y 19	8 1/4 Apr 15	5 1/2 J'y	8 1/2 Jan	
91 91 1/4	91 1/4	91 1/4	91 1/4	91 1/4	91 1/4	5,119		Union Traction 50	49 1/4 Feb 28	53 Sep 9	43 Jan	52 1/2 Aug	
								United Gas Impt. 50	86 1/4 Jan 9	92 1/2 Aug 6	84 1/4 Sep	89 1/2 Jan	
PHILADELPHIA													
Inactive Stocks													
American Milling 100	21 1/2	23 1/2											
Cambria Iron 50	43 1/4	43 1/2											
Central Coal & Coke 100	88 1/2	90 1/2											
Preferred 50	81	82											
Consol Trac of N J 100													
Germantown Pass 50													
Huntington & B T 50	11												
Preferred 50	26 1/2												
Indiana Union Tr 100													
Insurance Co of N A 100	21 1/4	21 1/2											
Inter Sm Pow & Chem 50													
Interstate Rys. pref. 100													
Kentucky Securities 100													
Preferred 50	44	45											
Keystone Telep v t c 50													
Preferred 100													
Keystone Watch Case 100													
Lit Brothers 50	18	18 1/2											
Little Schuylkill 50	56 1/8												
Minehill & Schuyl H 50													
Nat Gas Elec Lt & Po 100	30												
Preferred 100	80												
North Pennsylvania 50													
Pennsylvania Sait 50	103 1/2	109											
Pennsylvania Steel 100													
Preferred 100	97 1/2	99											
Phila Co (Pitts) pref. 50	43 1/2	44											
Phil German & Norris 50													
Phila Traction 50	83	83 1/2											
Railways General 100	91 1/2												
Tonopah Belmont Dev. 100	9 1/2												
United Cos of N J 100													
United Trac Pitts pref. 50													
Virginia Ry & Pow 100													
Preferred 100													
Warwick Iron & Steel 100	10 1/2	11											
Washington-Va Ry 100	51 1/4	51 1/2											
Preferred 100	79	80 1/2											
Weisbach Co 100	52	52 1/2											
West Jersey & Sea Sh. 50													
Westmoreland Coal 50													
Wilkes Gas & Elec 100	13	13 1/2											
York Railway 50	35	36											
Preferred 50													
PHILADELPHIA													
Bond:													
Prices are all "and interest"													
Alt & L V Elec 4 1/2s '33 F-A													
Am Gas & Elec 5s '07 F-A													
Am Rys 5s 1917 A-O													
Atl C Gas 1st s f 5s '60 J-J													
Berg & EBrew 1st 6s '21 J-J													
Bethlehem Steel 6s 1908 Q-F													
Choc & Me 1st 5s 1949 J-J													
Ch Ok & G Gen 5s 1919 J-J													
Consol Trac of N J 1st 5s '33													
Del Co Rys tr cts 4s 49 J-J													
Elec & Peoples Tr tr cts 5s													
Fr Tac & H 1st 5s 1940 J-J													
Gen Asphalt 5s 1916 M-S													
Indianap Ry 4s 1933 J-J													
Interstate 4s 1943 F-A													
Keystone Tel 5s 1935 J-J													
Lake Sup Corp Inc 5s '24 Q-F													
Lehigh Nav 4 1/2s '14 Q-J													
Gen M 4 1/2s g 1924 Q-F													
Leh V C 1st 5s g 1933 J-J													
Leh V Ext 4s 1st 1948 J-D													
Consol 6s 1923 J-D													
Consol 4 1/2s 1923 J-D													
Annuity 6s J-D													
Gen cons s 2003 M-N													
Leh V Tran con 4s '35 J-D													
1st series A 4s 1935 M-S													
1st series B 5s 1935 M-S													
Market Steel 1st 4s 5s M-N													
Nat L H & P ser B 5s '19 J-J													
New Con Gas 5s 1948 J-D													
N Y Pn & No 1st 4s '39 J-J													
Income 4s 1939 M-N													
Pa & N Y Can 5s '39 A-O													
Penn Steel 1st 5s '17 M-N													
People's Tr tr cts 4s 1943													
P Co 1st coll tr 5s 49 M-S													
Con & coll tr 5s '51 M-N													
Phil Elec gold tr cts. A-O													
Trust cts 4s 1949 J-J													
P & E Gen M 5s g '20 A-O													
Gen M 4s g 1920 A-O													
BALTIMORE													
Inactive Stocks													
Ala Cons Coal & Iron 100													
Atlan Coast L (Conn) 100													
Canton Co 100													
Consolidation Coal 100													
Georgia Sou & Fla 100													
1st preferred 100													
2d preferred 100													
G-B-S Brewing 100													
Pullman Cons Ventil 100													
Preferred 100													
Bonds													
Prices are all "and interest"													
Balt City 3 1/2s 1930 J-J													
4s 1954-1955 Various													
5s 1916 M-N													
Anacostia & Potom 5s A-O													
At Coast L conv deb 4s M-N													
At Coast L (Ct) cts 5s J-D													
Cts of indebt 4s J-J													
5-20-yr 4s 1925 J-J													
B S P & C 1st 4 1/2s '53 F-A													
Balt Trac 1st 5s '29 M-N													
No Balt Div 5s 1942 J-D													
Car Pow & Lt 5s 1938 F-A													
Cent Ry cons 5s '32 M-N													
BALTIMORE													
Inactive Stocks													
Ph & Read 2d 5s 1933 A-O													
Ex Imp M 4s 1947 A-O													
Termin 1 5s g 1941 Q-F													
P W & B col tr 4s '21 J-J													
Read Trac 1st 6s '33 J-J													
Roch Ry & L con 5s 5s J-J													
Spanish-Am Ir 6s '27 J-J													
Stand'd Gas & E 6s '26 J-D													
Stand Stl Wks 1st 5s '28 J-D													
U Trac Ind gen 5s '19 J-J													
Un Rys Tr cts 4s 49 J-J													
United Rys Inv 1st coll tr													
s f 5s 1926 M-N													
Weisbach s f 5s 1930 J-D													
W-B & G E con 5s 53 J-J													
York Rys 1st 5s 1937 J-D													
BALTIMORE													
Inactive Stocks													
Ala Cons Coal & Iron 100													
Atlan Coast L (Conn) 100													
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Consolidation Coal 100													
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At Coast L (Ct) cts 5s J-D													
Cts of indebt 4s J-J													
5-20-yr 4s 1925 J-J													
B S P & C 1st 4 1/2s '53 F-A													
Balt Trac 1st 5s '29 M-N													
No Balt Div 5s 1942 J-D													
Car Pow & Lt 5s 1938 F-A													
Cent Ry cons 5s '32 M-N													
BALTIMORE													
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Weisbach s f 5s 1930 J-D													
W-B & G E con 5s 53 J-J													
York Rys 1st 5s 1937 J-D													
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Stand Stl Wks 1st 5s '28 J-D													
U Trac Ind gen 5s '19 J-J													
Un Rys Tr cts 4s 49 J-J													
United Rys Inv 1st coll tr													
s f 5s 1926 M-N													
Weisbach s f 5s 1930 J-D													

Volume of Business at Stock Exchanges

TRANSACTIONS AT THE NEW YORK STOCK EXCHANGE
DAILY, WEEKLY AND YEARLY.

Week ending Sept. 20 1912.	Stocks		Railroad, &c. Bonds.	State Bonds.	U. S. Bonds.
	Shares.	Par value.			
Saturday	57,815	\$5,201,500	\$568,000	\$131,500	\$4,000
Monday	236,321	21,314,650	1,493,500	140,500	-----
Tuesday	590,289	51,476,400	2,289,000	80,000	-----
Wednesday	434,443	39,774,300	2,364,500	296,000	-----
Thursday	371,554	34,397,900	1,676,500	191,000	-----
Friday	757,135	67,706,000	2,103,000	194,000	-----
Total	2,447,557	\$219,870,750	\$10,494,500	\$1,033,000	\$4,000

Sales at New York Stock Exchange.	Week ending Sept. 20.		Jan. 1 to Sept. 20.	
	1912.	1911.	1912.	1911.
Stocks—No. shares	2,447,557	4,661,347	90,737,024	85,182,526
Par value	\$219,870,750	\$431,821,000	\$8,195,619,025	\$7,646,722,825
Bank shares, par	\$51,000	\$24,400	\$523,900	\$1,438,300
Bonds				
Government bonds	\$4,000	\$160,000	\$1,070,000	\$3,060,000
State bonds	1,033,000	498,000	19,827,500	81,159,500
R.R. and misc. bonds	10,494,500	11,199,000	506,952,500	525,753,000
Total bonds	\$11,531,500	\$11,857,000	\$527,550,000	\$609,977,500

DAILY TRANSACTIONS AT THE BOSTON AND PHILADELPHIA
EXCHANGES

Week ending Sept. 20 1912.	Boston.			Philadelphia.		
	Listed shares.	Unlisted shares.	Bond sales.	Listed shares.	Unlisted shares.	Bond sales.
Saturday	9,613	6,220	\$27,000	6,561	148	\$21,000
Monday	19,992	9,601	14,000	10,872	1,747	59,100
Tuesday	21,750	9,581	13,000	14,095	10,238	49,600
Wednesday	18,811	18,400	15,000	8,083	1,652	47,900
Thursday	15,103	13,374	32,000	13,876	6,154	45,800
Friday	14,150	20,831	28,000	21,897	10,695	57,700
Total	99,419	78,015	\$129,000	75,383	30,634	\$281,100

Inactive and Unlisted Securities

All bond prices are now "and interest" except where marked "I"

Street Railways		Bid	Ask	Street Railways—(Con.)		Bid	Ask
New York City				United Ry of St L		100	14
Bleeck St & Fulton St	100	18	24	Com vt tr cts	100	43	45 1/4
1st mtg 4s 1950	J-J	70		Preferred	100	94	95
B'y & 7th Ave st	100	175	180	4s 1951	J-D	84 1/2	85 1/2
2d mtg 5s 1914	J&J	99 1/2	100 1/4	West Penn Tr & Wat Pow	100	34 1/2	34 1/2
Broadway Surface RR	100			Preferred	100	82 1/2	83 1/2
1st 5s 1924	J&J	102 1/2	104	Electric, Gas & Power Cos			
Cent Cross town stock	100		10	New York City			
1st mtg 6s 1922	M-N	105		Cent Un Gas 5s 1927	J-J	101 1/2	102 1/2
Con Pk N & E Ry stock	100		13	4s Kings Co El L & P Co	100	130	132 1/2
Christopher & 10th St st	100	125	137	New Amsterdam Gas	100		
Dry Dock E B & B	100			1st consol 5s 1948	J-J	100	101
1st gold 5s 1932	J-D	100	101 1/4	N Y & E R Gas 1st 5s 44	J-J	104 1/2	105 1/2
Scip 5s 1914	F-A	35	45	Consol 5s 1945	J-J	101	103
Elighth Avenue stock	100	315		N Y & Q El L & Pow Co	100	50	60
Scip 6s 1914	F-A	99	101	Preferred	100	70	78
42d & Gr St Ry stock	100	270		N Y & Richmond Gas	100	50	65
42d St & St N Ave	100			North'n Un 1st 5s 1927	M-N	100 1/2	101 1/2
1st 6s 1910	M-S	99	100	Standard Gas L com	100	60	60
2nd line 6s Jan 1 1915	F-A	78		Preferred	100	95	95
Ninth Avenue stock	100	160	180	1st 5s 1930	M-N	104	106
Second Avenue stock	100	2	6	Other Cities			
Consol 5s 1948 cts	F-A	78	40	Am Gas & Elec com	50	292	92 1/2
6 Sixth Avenue stock	100	115	126	Preferred	50	50	50
Sou Boulevard 5s 1945	J-J	88	92	Am Lt & Trac com	100	423	427
So Fer 1st 5s 1919	A-O	90	95	Preferred	100	110	112
Tarry WP & M 5s 29	M-S	75	80	Amer Power & Lt com	100	69	72
28 & 29th Sts 5s 96 cts	A-O	20	28	Preferred	100	80 1/2	81 1/2
Twenty-third St stock	100	250	475	Bay State Gas	50	98	102
Union Ry 1st 5s 1942	F-A	104	107	Bingham (N Y) Gas	50		
Westchester 1st 5s 43	J-J	94	97	1st g 5s 1938	A-O	98	
Yonkers St RR 5s 1946	A-O	90	97	Buffalo City Gas stock	100	5	6 1/2
Brooklyn				Cities Service Co com	100	120	125
Atlan Ave RR con 5s 31A	O	102	103 1/2	Preferred	100	90	91 1/2
B B & W E 5s 1933	A-O	97	101	Con Gas of N J 5s 1936	J-J	98	
Brooklyn City RR	100	162	166	Consumers' L H & Pow	100	102	
Bklyn Hgts 1st 5s 1941	A-O	99	102	6s 1938	J-D		
Bklyn Queens Co & Sub	100			Consumers Power (Minn.)	100	90	92
1st g 5s 41—See N Y Stk	Ex list			1st ref 5s 1929 1/4	M-N	95 1/2	96 1/2
1st con 5s 41—See N Y Stk	Ex list			Denver G & El 5s 1949	M-N	100	
Coney Isl & Bklyn	100	101	105	Elizabeth Gas Lt Co	100	325	
1st cons g 4s 1948	J-J	80	87	Essex & Hudson Gas	100	135	140
Con g 4s 1955	J-J	77	82	Gas & El Bergen Co	100	86	89
Brk C & N 5s 1939	J-J	99	101	Gr't West Pow 5s 1946	J-J	88 1/2	90
Nassau Elec pref	100			Hudson County Gas	100	136	139
1st 5s 1944	A-O	102 1/2	103 1/2	1st 5s 1949—See N Y Stk	Ex list		
N Wmsburg & Flatbush	100	92	95	Indiana Lighting Co	100	40	44
1st 4 1/2s July 1941	F-A	100	104	4s 1958 opt	F-A	70	72
Steinway 1st 5s 1922	J-J	100	104	Indianapolis Gas	50	38	45
Other Cities				1st g 5s 1952	A-O	88	90
Buffalo Street Ry	100			Jackson Gas 5s g 1937	A-O	99	102
1st consol 5s 1931	F-A	103 1/2	105 1/2	Laclede Gas preferred	100	104	109
Deb 6s 1917	A-O	104	106	Madison Gas 5s 1925	A-O	104	109
Con Ry & Ltg com	100	78 1/2	79 1/2	Narragans (Prov) El Co	50	296	98
Preferred	100	80	82	Newark Gas 6s Apr 44	Q-J	125	
Federal Light & Trac	100	36 1/2	39	Newark Consol Gas	100	97	
Preferred	100	84 1/2	85 1/2	No Hud L H & P 5s 1938	A-O	100	
Havana Elec Ry L & P	100	87	89	Pacific Gas & E com	100	63 1/2	64 1/2
Preferred	100	96 1/2	98	Preferred	100	92 1/4	92 1/2
Louisv St 5s 1930	J-J	105 1/2	105 1/2	Pat & Pas Gas & Elec	100	91	95
New Ori Rys & Lt com	100	35 1/2	38	Con g 5s 1949—See N Y Stk	Ex list		
Preferred	100	76 1/2	77 1/2	St Joseph Gas 5s 1937	J-J	90	94
N Y Westch & Bost Ry	100			Standard Gas & Elec (Del)	50	23 1/2	24
1st g 4 1/2s 1946—See N Y	Stk Ex list			Preferred	50	23 1/2	24
Pub Serv Corp of N J—See	Stk Ex list			Conv s f g 6s 26—See N Y	Stk Ex list		
Tr cts 2% to 6% perpet	100 1/2	110 1/2		United Electric of N J	100	90	95
North Jersey St Ry	100	79	80	1st g 4s 1949	J-D	82 1/2	83 1/2
1st 4s 1948	M-N	79	81	Western Power com	100	30	31
Cons Tract of N J	100	75 1/2	76 1/2	Preferred	100	59 1/2	60
1st 5s 1933	J-D	103 1/2	104 1/2	Western States Gas & Elec	100	92 1/2	95
Newk Pass Ry 5s 30	J-J	107	108	1st & ref g 5s 1941 op	J-D		
Rapid Tran St Ry	100	235		Telegraph and Telephone	100	69	73
1st 5s 1921	A-O	103	105	Amer Teleg & Cable	100	115	120
J C Hob & Paterson	100			Central & South Amer	100	108	116
4s g 1949	M-N	78 1/2	79 1/2	Comm'l Un Tel (N Y)	25	108	116
So J Gas El & Trac	100	129	133	Empire & Bay State Tel	100	65	75
Gu g 5s 1953	M-J	99	100	Franklin	100	40	50
No Hud Co Ry 6s 1914	J-J	101	102	Gold & Stock Teleg	100	120	124
Con M 5s 1928	J-J	104	105	Northwestern Teleg	50	117	122
Ext 5s 1924	M-N	100		Pacific & Atlantic	50	70	75
Pat Ry con 6s 1931	J-D	114		Pae Teleg & Teleg pref	100	100	103
2d 5s 1914 opt	A-O	100		Southern & Atlantic	25	92	97
Republ Ry & Light	100	26 1/2	28	South Bell Teleg & Teleg	100	100	100 1/4
Preferred	100	81	83	1st g 5s 1941 op 1916	J-J	100	100 1/4
Trent P & H 5s 1943	J-D	97	99				

* Per share. a And accrued dividend. b Basis. k Listed on Stock Exchange but usually inactive. f Flat price. n Nominal. s Sale price. t New stock. x Ex-div.
y Ex-rights. z Includes all new stock dividends and subscriptions. e Listed on Stock Exchange but infrequently dealt in; record of sales, if any, will be found on a preceding page.

Ferry Companies		Bid	Ask	Indust and Miscell—(Con.)		Bid	Ask
B & N Y 1st 5s 1911		97	100	Atl Gulf & WISS Lines		100	100
N Y & E R Ferry stock		100	8	Barney & Smith Car com		100	100
1st 5s 1922		50	60	Preferred		100	84
N Y & Hob 5s May 46		98 1/2	100	Bliss (E W) Co com		100	75
Hob Ry 1st 5s 1946		104 1/2	100	Preferred		100	120
N Y & N J 5s 1946		98	98	Bond & Mtge Guar		100	285
10th & 23d Sts Ferry		100	25	Borden's Cond Milk com		100	122
1st mtg 5s 1919		55	65	Preferred		100	108
Union Ferry stock		151 1/2	171 1/2	British Col Copper Co		100	51 1/2
1st 5s 1920		94	98	Casela Co of Amer com		100	1
Short-Term Notes				Preferred		100	50
Amal Copper 5s 1913		99 1/2	100 1/4	Casualty Co of America		100	110
Balt & Ohio 4 1/2s 1913		99 1/2	99 1/2	Celluloid Co		100	143
Bklyn Rap Tr 5s 1918 (w)		96 1/2	96 1/2	City Investing Co		100	45
Ches & Ohio 4 1/2s 1914		98 1/2	98 1/2	Preferred		100	100
Chic & Alton 5s 1913		98	98 1/2	Chaffin (H B) Co com		100	85
Chic Elev Rys 5s 1914		97 1/2	98	1st preferred		100	86
Chic Ham & D 4s 1913		98 1/2	99 1/4	2d preferred		100	87
Erie 6s April 8 1914		99 1/2	100 1/4	Consol Car Heating		100	73
Coll 5s Oct 1 1914		99 1/4	99 1/4	Consol Rubber Tire		100	13
Coll 5s April 1 1915		97 1/2	98	Preferred		100	50
Gen'l Motors 6s 15—See N Y		Stk Ex	list.	Debuture 4s 1951		100	75
Hudson Companies				Crucible Steel com		100	18 1/2
5s Feb 1 1913		99 1/2	100 1/4	Preferred		100	98 1/2
5s Oct 15 1913		99 1/2	100	Davis-Daly Copper Co		100	21 1/2
Ill Cent 4 1/2s 1914		99	99 1/2	Diamond Match—See Chic		Stk Ex	list.
Int & Gt Nor 5s 1914		97 1/2	97 1/2	DuPont (D) de Nem Pow		100	195
Inter Harvester 5s 15 F&A		100	100 1/4	Preferred		100	98
K C Ry & Lt 6s 1912		90	92	Gold 4 1/2s '36—See N Y Stk		Ex	list.

^a Mexican currency. ^b Does not include earnings of Colorado Springs & Cripple Creek District Railway, from November 1 1911. ^c Includes the Boston & Albany, the New York & Ottawa, the St. Lawrence & Adirondack and the Ottawa & New York Railway, the latter of which, being a Canadian road, does not make returns to the Inter-State Commerce Commission. ^d Includes Evansville & Terre Haute and Evansville & Indiana RR. ^e Includes the Cleveland Lorain & Wheeling Ry. in both years. ^f Includes the Northern Ohio RR. ^g Includes earnings of Mason City & Ft. Dodge and Wisconsin Minnesota & Pacific. ^h Includes Louisville & Atlantic and the Frankfort & Cincinnati. ⁱ Includes the Mexican International. ^j Includes the Texas Central. ^k Includes not only operating revenues, but also all other receipts.

Latest Gross Earnings by Weeks.—In the table which follows we sum up separately the earnings for the second week of September. The table covers 26 roads and shows 6.80% increase in the aggregate over the same week last year.

Second week of September.	1912.	1911.	Increase.	Decrease.
Buffalo Rochester & Pittsburgh	\$ 232,692	\$ 210,098	\$ 22,594	
Canadian Northern	378,300	360,300	18,000	
Canadian Pacific	2,667,000	2,325,000	342,000	
Central of Georgia	292,900	269,800	23,100	
Chesapeake & Ohio	691,801	691,245	556	
Chicago Ind & Louisville	143,173	142,618	555	
Colorado & Southern	291,249	297,149		5,900
Denver & Rio Grande	565,200	544,600	20,600	
Grand Trunk of Canada				
Grand Trunk Western	1,110,514	1,026,449	84,065	
Detroit Gr Haven & Milw				
Canada Atlantic				
Internat & Great Northern	247,000	214,000	33,000	
Interoceanic of Mexico	143,577	159,909		16,332
Minneapolis & St Louis	216,691	171,999	44,692	
Iowa Central				
Minneapolis St Paul & S S M	718,672	556,326	162,346	
Missouri Kansas & Texas	631,089	569,981	61,108	
Missouri Pacific	1,247,000	1,123,000	124,000	
Mobile & Ohio	215,719	218,771		3,052
National Railways of Mexico	1,203,033	1,353,902		150,869
St Louis Southwestern	247,000	225,000	22,000	
Southern Railway	1,237,691	1,223,485	11,206	
Texas & Pacific	326,582	299,963	26,619	
Toledo Peoria & Western	27,401	23,378	4,023	
Toledo St Louis & Western	89,758	91,669		1,911
Total (26 roads)	12,924,042	12,101,642	1,000,464	178,064
Net increase (6.80%)			822,400	

For the first week of September our final statement covers 40 roads and shows 6.39% increase in the aggregate over the same week last year.

First week of September.	1912.	1911.	Increase.	Decrease.
Previously reported (25 roads)	\$ 12,172,233	\$ 11,327,415	\$ 846,177	\$ 101,359
Alabama Great Southern	83,323	84,273		950
Ann Arbor	44,757	47,914		3,157
Chicago & Alton	299,998	318,652		18,654
Chicago Great Western	271,427	271,731		304
Cin New Orleans & Tex Pac	188,748	185,089	3,659	
Duluth South Shore & Atlantic	64,355	62,118	2,237	
Georgia Southern & Florida	44,961	48,400		3,439
Louisville & Nashville	1,102,225	1,034,520	67,705	
Mineral Range	13,912	14,068		154
Mobile & Ohio	207,374	195,805	11,569	
Nevada-Cal-Oregon	9,058	7,141	1,917	
Rio Grande Southern	10,836	10,816	20	
Seaboard Air Line	443,732	450,436		6,704
Tenn Ala & Georgia	2,138	2,383		245
Toledo St Louis & Western	76,172	70,800	5,372	
Total (40 roads)	15,035,249	14,131,559	1,038,656	134,966
Net increase (6.39%)			903,690	

Net Earnings Monthly to Latest Dates.—The table following shows the gross and net earnings of STEAM railroads and industrial companies reported this week:

Roads.	Gross Earnings—		Net Earnings—	
	Current Year.	Previous Year.	Current Year.	Previous Year.
Central of New Jersey..b	July 2,813,906	2,388,754	1,278,076	1,005,043
Delaware & Hudson..b	July 2,052,533	1,760,440	854,500	771,143
Jan 1 to July 31.....	12,161,544	11,991,449	4,227,477	4,513,275
Green Bay & Western..b	July 54,773	46,249	15,036	5,932
Nevada-Cal Oregon b....	July 47,304	28,284	21,626	11,091
Pacific Coast.....	July 702,758	724,461	135,578	123,835
Pere Marquette..b.....	Aug 1,572,373	1,516,401	444,794	445,063
July 1 to Aug 31.....	2,977,903	2,877,278	763,242	780,996
Toledo Peor & West..b	July 109,645	102,265	25,869	16,213
INDUSTRIAL COMPANIES.				
Gross Earnings—				
Current Year. Previous Year.				
Kings Co El Lt & Pow..a	Aug 375,821	358,596	100,529	121,881
Jan 1 to Aug 31.....	3,365,895	3,024,588	1,192,074	1,112,156

a Net earnings here given are after deducting taxes.

b Net earnings here given are before deducting taxes.

Interest Charges and Surplus.

Roads.	Int., Rentals, &c.—		Bal. of Net Earnings—	
	Current Year.	Previous Year.	Current Year.	Previous Year.
Central of New Jersey..July	\$ 549,286	\$ 516,506	\$ 728,790	\$ 488,537
Nevada-Cal-Oregon....July	5,695	4,117	16,592	16,612
Pere Marquette.....Aug.	444,348	472,356	10,588	21,742
July 1 to Aug 31.....	864,666	901,070	73,503	114,085
Toledo Peoria & West..July	23,679	24,085	16,689	14,410
INDUSTRIAL COMPANIES.				
Int., Rentals, &c.—				
Current Year. Previous Year.				
Kings Co El Lt & Pow..Aug	72,236	68,671	130,407	160,213
Jan 1 to Aug 31.....	576,198	534,408	164,484	160,703

x After allowing for other income received.

y After allowing for outside operations, hire of equipment and other inc.

ELECTRIC RAILWAY AND TRACTION COMPANIES.

Name of Road.	Latest Gross Earnings.			Jan. 1 to Latest date.	
	Week or Month.	Current Year.	Previous Year.	Current Year.	Previous Year.
Atlantic Shore Ry....	July	\$ 47,559	\$ 48,519	\$ 193,160	\$ 180,209
cAug Elgin & Ohio Ry	July	192,754	186,271	1,055,296	987,488
Bangor Ry & Elec Co	July	64,300	55,677	388,457	320,326
Baton Rouge Elec Co	July	12,479	9,476	83,989	65,650
Birmingham Railway	July	40,154	38,107	243,156	218,064
Brock & Plymouth Ry	July	15,476	16,202	66,845	66,717
Bklyn Rap Tran Syst	June	2195,014	2045,385	11,672,616	11,113,047
Cape Breton Elec Co.	July	33,116	31,215	194,131	183,350

Name of Road.	Latest Gross Earnings.			Jan. 1 to Latest date.	
	Week or Month.	Current Year.	Previous Year.	Current Year.	Previous Year.
Carolina Pow & Lt Co	July	\$ 36,267	\$ 26,980	\$ 240,597	\$ 200,229
Cent Park N & E Riv	June	57,865	57,747	314,935	306,477
Central Penn Trac	August	89,044	77,895	614,202	577,237
Chattanooga Ry & Lt	July	94,055	84,175	592,614	530,130
Clev Painesv & East.	July	42,882	41,297	212,065	205,015
ClevSouthw&Colum	July	110,448	108,644	650,791	628,812
Columbus (Ga) El Co	July	45,549	39,624	305,248	275,204
Commonw P. Ry & L	August	536,777	440,884	4,033,808	3,507,049
Coney Isl'd & Bklyn	June	169,552	154,490	719,888	709,978
Dallas Electric Corp.	July	144,534	125,037	986,016	889,792
Detroit United Ry...	3d wk Aug	232,716	216,459	7,190,080	6,363,222
D D E B & Batt (Rec)	June	51,417	50,923	306,716	298,824
Duluth-Superior Trac	July	106,668	108,455	656,099	643,532
East St Louis & Sub.	July	197,978	195,688	1,346,834	1,287,407
El Paso Electric	July	59,620	51,834	432,217	385,869
42d St M & S Nav (Rec)	June	159,199	142,891	864,189	752,788
Galv-Hous Elec Co.	July	180,558	136,113	1,103,634	848,406
Grand Rapids Ry Co	July	111,191	107,072	703,068	660,432
Havana Electric Ry	Wk Sep 15	51,213	46,410	1,801,039	1,688,482
Honolulu Rapid Tran					
& Land Co.	July	45,910	42,684	319,414	282,903
Houghton Co Trac Co	July	30,784	31,220	175,397	175,668
Hudson & Manhattan	June	233,357	237,920	1,842,112	1,507,694
Illinois Traction Co.	July	576,668	561,607	4,079,306	3,811,596
Interboro Rap Tran.	July	2267,409	2087,729	18,662,932	17,568,392
Jacksonville Trac Co	July	49,248	43,920	350,268	333,123
Lake Shore Elec Ry	July	137,639	135,300	724,890	693,885
Long Island Electric	June	22,718	19,876	96,233	92,147
Milw El Ry & Lt Co	July	452,423	418,155	3,143,111	2,819,469
Milw Lt, Ht & Tr Co	July	132,026	127,642	684,651	616,974
N Y City Interboro	June	39,507	26,014	213,516	137,810
N Y & Long Isl Trac	June	37,178	33,541	180,238	177,179
N Y & Queens Co	June	132,479	118,956	831,664	587,597
New York Railways	July	1150,986	1134,764	7,946,568	7,821,671
Northampton & W	August	20,980	17,445	121,574	109,467
North Ohio Trac & Lt	July	297,235	278,431	1,674,571	1,501,107
North Texas Elec Co	July	146,289	131,383	941,634	906,387
Ocean Electric (L I)	June	17,326	13,424	45,936	36,769
Paducah Tr & Lt Co	July	22,874	22,477	161,011	148,959
Pensacola Electric Co	July	24,389	25,320	162,552	164,170
Phila Rap Trans Co.	August	1913,094	1794,989	15,188,217	14,448,738
Port (Ore) Ry, L & P Co	July	530,557	543,704	3,833,174	3,658,516
Puget St Trac, L & P	July	713,526		4,798,094	
Richmond Lt & RR	June	38,720	35,651	167,368	159,748
Rio de Janeiro Tram					
Light & Power Co	July	1244,274	1145,938	8,236,750	7,253,711
St Joseph (Mo) Ry, Lt					
Heat & Power Co.	July	98,335	92,375	665,491	622,697
Sao Paulo Tram, L & P	July	363,997	283,441	2,576,345	1,967,694
Savannah Electric Co	July	61,406	64,038	424,429	394,304
Second Avenue (Rec)	June	90,658	86,283	462,217	424,668
Southern Boulevard	June	14,837	11,969	65,206	57,265
Sou Wisconsin Ry Co	August	19,368	16,720	147,096	130,531
Staten Isl'd Midland	June	31,424	28,383	123,340	117,428
Tampa Electric Co.	July	63,181	57,253	433,282	392,040
Third Avenue (Rec)	June	333,854	321,829	1,883,583	1,778,969
Tri-City Ry & Lt Co	June	226,792	209,965	1,430,395	1,311,414
Twin City Rap Tran.	1st wk Sep	208,093	175,203	5,558,713	5,330,512
Underground Elec Ry of London—					
Three tube lines.	Wk Sep 14	£12,340	£12,140	£498,055	£499,315
Metro politan Dst.	Wk Sep 14	£11,230	£11,065	£456,914	£456,016
United Tramways	Wk Sep 14	£6,222	£6,925	£235,634	£248,526
London Gen'l Bus.	Wk Sep 14	£57,644	£38,561	£1,835,946	£1,381,423
Union (Rec)	June	244,454	282,126	1,207,987	1,171,365
Union Ry, G & E Co (Ill)	June	272,714	237,408	1,751,319	1,518,456
United Rys of St L.	July	1044,441	1016,759	6,988,825	6,841,998
United RR of St L.	July	0	0	4,745,125	4,465,647
Westchester El (Rec)	June	57,875	57,176	272,722	274,870
Yonkers RR (Rec)	June	69,044	65,951	356,156	327,044
Youngst & Ohio Riv	June	20,199	19,840	110,170	108,164

c These figures are for consolidated company.

Electric Railway Net Earnings.—The following table gives the returns of ELECTRIC railway gross and net earnings reported this week:

Roads.	Gross Earnings—		Net Earnings—	
	Current Year.	Previous Year.	Current Year.	Previous Year.
Amer Lt & Trac.....Aug	\$ 318,152	\$ 287,128	\$ 305,848	\$ 274,934
Jan 1 to Aug 31.....	2,597,099	2,579,331	2,512,266	2,504,554
Central Penn Traction..Aug	89,044	77,895	34,645	25,395
Jan 1 to Aug 31.....	614,202	577,237	184,921	171,617
Columbus (Ga) Elec....July	45,549	39,624	22,272	20,338
Jan 1 to July 31.....	305,248	275,204	148,118	142,150
Commonwealth P, R & L..Aug	536,777	440,884	246,696	194,909
Jan 1 to Aug 31.....	4,033,808	3,507,049	1,895,956	1,661,661
Philadelphia Rap Trans..Aug	1,913,094	1,794,989	767,129	668,772
July 1 to Aug 31.....	3,832,034	3,651,805	1,529,843	1,380,821
Puget Sd Tr, L & P..a..July	713,526		298,448	
Jan 1 to July 31.....	4,798,094		2,018,716	
Quebec Ry, L, H & P..July	155,838	140,538	72,453	74,658
United RRs of San Fran	July 687,013	644,512	282,439	294,262

a Net earnings here given are after deducting taxes.

b Net earnings here given are before deducting taxes.

Interest Charges and Surplus.

Roads.	—Int., Rentals, &c.—		—Bal. of Net Earnings—	
	Current Year.	Previous Year.	Current Year.	Previous Year.
	\$	\$	\$	\$
Columbus (Ga) Electric..July	15,600	14,504	6,671	5,834
Jan 1 to July 31-----	95,310	68,103	52,807	74,047
Commonwealth P, R & L..Aug	160,548	129,760	86,148	65,149
Jan 1 to Aug 31-----	1,212,536	1,021,695	683,420	639,966
Philadelphia Rap Trans..Aug	757,101	736,682	10,028	def67,910
July 1 to Aug 31-----	1,515,283	1,473,972	14,560	def93,151
Puget Sd Tr, L & P.....July	144,906	-----	153,542	-----
Jan 1 to July 31-----	999,727	-----	1,013,989	-----

Roads.	Gross Earnings		Net Earnings	
	Current Year.	Previous Year.	Current Year.	Previous Year.
New York Railways a June	1,183,018	1,169,283	373,028	301,708
Jan 1 to June 30	6,795,582	6,686,907	2,080,946	1,401,950
Cent Park N & E R. a June	57,866	57,747	9,521	def. 4,927
Jan 1 to June 30	314,935	306,477	6,377	def. 21,846
Second Avenue a June	90,658	86,283	25,239	19,865
Jan 1 to June 30	462,217	424,668	57,422	54,461
Third Avenue a June	333,854	321,829	158,031	144,317
Jan 1 to June 30	1,883,583	1,778,969	883,026	803,730
Dry Dk E B & Batt. a June	51,417	50,923	11,994	65
Jan 1 to June 30	306,716	298,824	53,107	30,350
42d St M & St N Av. a June	159,199	142,891	58,281	47,256
Jan 1 to June 30	864,189	752,788	263,613	213,752
N Y City Interboro. a June	39,507	26,014	8,182	6,401
Jan 1 to June 30	213,516	137,810	41,391	23,320
Southern Boulevard a June	14,837	11,969	1,651	5,192
Jan 1 to June 30	65,206	57,265	10,953	12,172
Union a June	244,454	282,126	90,232	105,244
Jan 1 to June 30	1,207,987	1,171,365	274,633	284,917
Westchester Electric a June	57,875	57,176	14,883	10,374
Jan 1 to June 30	272,722	274,870	27,680	42,244
Yonkers RR. a June	69,044	65,951	def. 22,187	def. 28,928
Jan 1 to June 30	356,156	327,044	40,609	35,075
Long Island Electric a June	22,718	19,876	9,111	4,229
Jan 1 to June 30	96,233	92,147	2,857	def. 1,629
N Y & Long Isl Trac. a June	37,178	35,541	9,362	15,616
Jan 1 to June 30	180,238	177,179	29,462	53,951
N Y & Queens County a June	132,479	118,956	15,405	27,157
Jan 1 to June 30	631,664	587,597	def. 60,583	943
Ocean Electric (L I) a June	17,326	13,424	9,906	6,497
Jan 1 to June 30	45,936	36,769	12,258	def. 1,464
Coney Isl & Bklyn. a June	169,552	154,490	52,212	30,547
Jan 1 to June 30	719,888	709,978	152,584	176,529
Richmond Lt & RR. a June	38,720	35,651	555	def. 21,503
Jan 1 to June 30	167,368	159,748	2,565	def. 18,129
Staten Isl'd Midland a June	31,424	28,383	7,483	657
Jan 1 to June 30	123,340	117,428	20,305	2,559

a Net earnings here given are after deducting taxes.

c Other income amounted to \$85,007 in June 1912, against \$83,485 in 1911

ANNUAL REPORTS.

Annual Reports.—An index to annual reports of steam railroads, street railways and miscellaneous companies which have been published during the preceding month will be given on the last Saturday of each month. This index will not include reports in the issue of the "Chronicle" in which it is published. The latest index will be found in the issue of Aug. 31. The next will appear in that of Sept. 28.

Chicago & North Western Railway.

(Report for Fiscal Year ending June 30 1912.)

The report of the President, Mr. William A. Gardner, will be found on subsequent pages.

Comparative tables, compiled for the "Chronicle," are as follows:

OPERATIONS AND FISCAL RESULTS.				
	1911-12.	1910-11.	1909-10.	1908-09.
Average miles operated.	7,859	7,719	7,629	7,635
Equipment—				
Locomotives	1,670	1,644	1,520	1,453
Passenger cars	1,520	1,515	1,405	1,343
Freight cars	59,342	60,971	62,685	58,453
Work cars, &c.	2,172	2,025	1,881	1,586
Operations—				
Passengers (No.)	31,526,803	30,330,900	28,697,470	26,951,319
Passenger mileage	108,058,040	105,457,245	101,274,285	93,232,161
Rate per pass. per mile	1.81 cts.	1.81 cts.	1.82 cts.	1.81 cts.
Freight (tons)	37,265,642	36,733,526	39,339,739	32,793,418
Freight (tons) mileage	514,663,430	543,369,684	556,258,771	486,589,654
Rate per ton per mile	0.91 cts.	0.90 cts.	0.89 cts.	0.90 cts.
Av. tr. load, rev. (tons)	298.94	276.54	260.71	260.13
Earns. per fgt. train mile	\$2.71	\$2.50	\$2.32	\$2.33
Earns. per pass. train m.	\$1.17	\$1.20	\$1.15	\$1.14
Oper. revenues per mile.	\$9.378	\$9.706	\$9.722	\$8.641
EARNINGS, EXPENSES, CHARGES, & C.				
	1911-12.	1910-11.	1909-10.	1908-09.
Operating Revenues—				
Freight revenue	\$46,691,540	\$49,024,958	\$49,536,839	\$43,619,091
Passenger revenue	19,555,567	19,118,884	18,431,017	16,875,668
Other transport'n rev.	6,775,256	6,311,375	5,768,345	5,146,621
Non-transport'n rev.	676,228	462,969	439,483	337,090
Total oper. revenues	\$73,698,591	\$74,918,186	\$74,175,684	\$65,978,471
Expenses—				
Maint. of way & struc.	\$9,368,721	\$10,002,232	\$10,746,646	\$34,217,407
Transportation	30,924,938	30,856,864	31,140,217	27,845,969
General	1,498,245	1,614,402	1,257,756	1,127,864
Maint. of equipment	9,569,853	9,307,196	9,140,217	7,845,969
Traffic	1,340,086	1,232,016	1,257,756	1,127,864
Total	\$52,701,843	\$53,012,710	\$52,153,619	\$43,191,239
Net oper. revenue	\$20,996,748	\$21,905,476	\$22,022,065	\$22,787,232
Outside Oper.—net def.	33, 38	53,677	56,941	15,907
Total net revenue	\$20,963,710	\$21,851,799	\$21,965,124	\$22,771,325
Taxes accrued	3,422,838	3,116,034	2,979,512	2,714,632
Operating income	\$17,540,872	\$18,735,765	\$18,985,612	\$20,056,693
Other Income—				
Rents—credits	\$165,790	\$152,581	\$135,301	\$115,611
Divs. on stocks owned	1,844,722	1,711,222	1,594,249	1,886,192
Int. on funded debt	5,025	4,087	1,900	2,837
Int. on oth. sec., loans, &c.	1,238,240	1,165,576	808,309	549,421
Total other income	\$3,253,777	\$3,033,466	\$2,539,759	\$2,554,061
Gross income	\$20,794,649	\$21,769,231	\$21,525,371	\$22,610,755
Deductions—				
Rents—debits	\$1,194,791	\$1,200,023	\$1,397,278	\$818,848
Int. acc. on funded debt	8,043,840	7,726,146	7,582,515	7,603,025
Other interest	39,849	1,361	932	901
Sinking funds	38,000	225,000	225,500	224,500
Other deductions	10,838	13,601	20,449	28,187
Total deductions	\$9,327,318	\$9,166,131	\$9,226,874	\$8,675,461
Net income	\$11,467,331	\$12,603,100	\$12,298,497	\$13,935,293
Divs. on com. stock, 7%	9,108,015	9,108,015	8,040,438	6,972,003
Divs. on pref. stock, 8%	1,791,600	1,791,600	1,791,600	1,791,600
Balance, surplus	\$567,716	\$1,703,485	\$2,466,459	\$5,170,790

GENERAL BALANCE SHEET JUNE 30.

1912.		1911.		1912.		1911.	
Assets—	\$	Assets—	\$	Liabilities—	\$	Liabilities—	\$
Road & equip.	324,616,665	Road & equip.	306,303,101	Stock, common	132,455,531	Stock, common	132,455,531
Securs. of prop.	1,489,113	Securs. of prop.	1,470,113	Stock, preferred	22,398,954	Stock, preferred	22,398,954
&c., cos., unpl.	1,489,113	&c., cos., unpl.	1,470,113	Prem. on cap. stk.	29,658	Prem. on cap. stk.	29,658
Other invest'ts	16,208,556	Other invest'ts	22,803,898	Bonded debt	190,460,000	Bonded debt	174,462,000
Oth. sec. owned	220,628,728	Oth. sec. owned	19,495,728	Int., divs., &c.,		Int., divs., &c.,	
Co's stk. in treas.	2,342,262	Co's stk. in treas.	2,342,152	unpaid	3,110,150	unpaid	3,134,844
Agts. & conduc.	3,208,860	Agts. & conduc.	2,693,355	Vouch. & wages	4,630,032	Vouch. & wages	4,609,460
Bills receivable	511,932	Bills receivable	449,224	Misc. accounts	365,290	Misc. accounts	207,572
Materials & supp.	4,473,324	Materials & supp.	4,669,456	Accr'd int., &c.	1,921,421	Accr'd int., &c.	1,717,276
Cash	15,273,687	Cash	12,964,393	Traffic, &c., bal.	1,596,347	Traffic, &c., bal.	1,476,042
Sinking funds	3,989,029	Sinking funds	6,286,878	Def. credit items	3,622,321	Def. credit items	2,637,635
Misc. accounts	2,616,515	Misc. accounts	2,208,721	Approp. surplus	3,988,522	Approp. surplus	6,830,878
Advances	2,447,045	Advances	347,428	Profit and loss	34,186,372	Profit and loss	33,066,463
Def. debit items	958,882	Def. debit items	991,865				
Total	398,764,598	Total	383,026,313	Total	398,764,598	Total	383,026,313

a Other investments in 1912 include advances to proprietary, affiliated and controlled companies for construction, equipment and betterments, \$15,177,454, and miscellaneous, \$1,031,101.

b Other securities owned in 1912 include M. L. S. & W. ext. and impt. bonds on hand, \$40,000; C. & N. W. gen. M. of 1907 due from trustee, \$5,910,000; Southern Iowa Ry. 1st M. bonds on hand, \$431,000; \$14,920,000 capital stk. of Chic. St. P.M. & O., valued at \$10,337,152; \$4,171,500 Union Pac. RR. pref. stk., valued \$3,910,576.

c After adding amount transferred from appropriated surplus on account of retirement of Madison extension and Menominee extension 1st M. sinking fund bonds and C. & N. W. Ry. sinking fund bonds of 1879, \$2,923,450; and deducting \$796,906 for depreciation accrued prior to July 1 1907 on equipment retired or changed from one class to another during 1911-12; \$1,125,000 for discount on Milwaukee Sparta & N. W. Ry. 1st M. bonds sold during 1911-12, \$362,560 for net loss on property sold or abandoned and not replaced, and \$86,791 for minor adjustments.—V. 95, p. 419

Chesapeake & Ohio Railway.

(Report for Fiscal Year ending June 30 1912.)

The remarks of President Stevens at length, together with the balance sheet and income account in detail, are published on subsequent pages.

Below we give comparative statistics and income account and balance sheet for several years, the figures in the late and the preceding year including the Chicago line (C. & O. Ry. of Indiana) 284.6 miles.

EQUIPMENT, & C.

	1911-12.	1910-11.	1909-10.	1908-09.
Average miles operated.	2,229	2,229	1,937	1,897
Equipment—				
Locomotives	793	780	699	672
Passenger cars	373	342	306	306
Freight cars	44,124	42,187	37,797	34,539
Tool, camp and ballast	681	681	663	659

OPERATIONS AND FISCAL RESULTS.

	1911-12.	1910-11.	1909-10.	1908-09.
Average miles operated.	2,263	2,229	1,937	1,897
Operations—				
Passengers carried	5,489,040	5,618,791	4,969,612	5,097,237
Pass. carried one mile	252,397,519	253,262,253	226,715,956	217,694,041
Rate per pass. per mile	2.181 cts.	2.177 cts.	2.206 cts.	2.059 cts.
Freight (tons) carried	26,147,903	24,604,650	22,892,229	18,511,362
Freight (tons) carr. 1 m.	669,211,443	608,268,259	612,313,487	509,555,274
Rate per ton per mile	0.407 cts.	0.421 cts.	0.407 cts.	0.410 cts.
Av. rev. train load (tons)	756	656	701	675
Earn. per pass. tr. mile	\$1.27	\$1.32	-----	-----
Incl. mail & express	\$3.08	\$2.76	\$2.84	\$2.76
Earns. per fgt. train mile	\$15.152	\$14.617	\$15.439	\$13.375
Earns. per mile of road				
Revenues—				
Freight	\$27,261,475	\$25,590,027	\$24,901,200	\$20,885,511
Passenger	5,505,536	5,512,932	5,002,205	4,482,004
Mail	371,137	371,338	360,223	388,453
Express	586,021	536,908	450,772	407,575
Other transport'n rev.	323,569	339,110	335,345	342,672
Non-transportation rev.	242,131	233,096	187,424	124,503

Total revenues	\$34,289,870	\$32,583,411	\$31,237,169	\$26,630,718
Expenses—				
Maint. of way & struc.	\$3,981,646	\$4,141,572	\$3,391,032	\$3,101,151
Maint. of equipment	6,724,460	6,198,825	5,858,843	4,938,938
Traffic	636,967	615,338	535,207	466,042
Transportation	10,503,415	10,044,172	8,509,434	7,328,683
General	789,193	793,707	642,183	532,024

Total expenses	\$22,635,681	\$21,793,615	\$18,936,699	\$16,366,838
Per cent exp. to earn.	(66.0)	(66.0)	(60.6)	(61.5)
Net revenues	11,654,189	10,789,796	12,300,470	10,263,880
Other income	1,808,563	1,560,815	1,161,365	708,863

Total	\$13,462,752	\$12,350,611	\$13,461,835	\$10,972,743
Deduct—				
Interest on bonds	\$7,045,262	\$6,506,896	\$5,122,901	\$4,456,085
Taxes	1,014,220	1,065,853	873,744	801,600
Car trust interest	297,045	382,651	447,250	524,947
Car trust principal	-----	-----	-----	1,005,000
Rental leased equipment	-----	246,560	-----	-----
Loss on elevator	56,655	55,449	66,700	59,722
Int. coll. notes & gen. acct.	-----	-----	-----	450,000
Extraordinary	-----	-----	-----	212,449
Rentals of leased roads,				
joint tracks, &c.	775,364	816,817	659,957	626,649
Miscellaneous	-----	48,100	797	61,013
Dividends	(5) 3,139,627	(5) 3,139,625	(4 1/4) 2,668,617	(2) 1,255,814

Total	\$12,328,173	\$12,261,951	\$9,839,967	\$9,453,279
Surplus	\$1,134,579	\$88,660	\$3,621,869	\$1,519,464

BALANCE SHEET JUNE 30.

[Excluding stocks and bonds owned of auxiliary companies. The balance sheet of June 30 1912 is given at length on page 759.]

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Chicago St. Paul Minneapolis & Omaha Ry.

(Statement for Fiscal Year ending June 30 1912.)

	1911-12.	1910-11.	1909-10.	1908-09.
Total oper. revenue.....	\$15,135,426	\$16,092,851	\$15,095,023	\$13,524,650
Operating expenses.....	10,466,216	10,656,053	9,888,479	8,831,229
Net operating income.....	\$4,669,210	\$5,436,053	\$5,206,544	\$4,693,421
Total net inc. (aft. tax.)	\$4,122,304	\$4,833,220	\$4,665,504	\$4,173,606
Interest on bonds.....	1,649,029	1,631,590	1,611,567	1,602,773
Rentals & miscell.....	388,672	355,245	438,652	308,593
Divs. on com. stk. (7%)	1,298,934	1,298,934	1,298,934	1,298,934
Divs. on pref. stk. (7%)	787,976	787,976	787,976	787,976

Balance for year..... def\$2,307 sur\$729,475 sur\$528,375 sur\$175,330
—V. 94, p. 1316.

Wabash Railroad.

(Statement for Fiscal Year ending June 30 1912.)

The results for the fiscal year, as reported in the newspapers, compare as follows:

	1911-12.	1910-11.	1909-10.	1908-09.
Revenue—				
Freight.....	\$19,074,821	\$20,160,877	\$19,473,372	\$17,176,709
Passenger.....	6,993,874	7,400,934	7,075,314	6,395,775
Mail, express, &c.....	2,286,069	2,322,226	2,337,370	2,295,549
Total.....	\$28,354,764	\$29,884,037	\$28,886,056	\$25,868,033
Operating expenses.....	23,150,484	22,366,183	20,536,223	18,757,185
Net operating revenue.....	\$5,204,279	\$7,517,854	\$8,349,833	\$7,110,848
Taxes.....	851,629	920,872	851,324	809,636
Operating income.....	\$4,352,650	\$6,596,982	\$7,498,509	\$6,301,212
Other income.....	749,509	819,532	874,172	1,137,445
Total income.....	\$5,102,159	\$7,416,514	\$8,372,681	\$7,438,657
Interest, rentals, &c.....	\$7,966,757	\$6,814,935	\$6,556,963	\$6,857,916
Div. on deb. A bonds.....	(6) 210,000	(6) 210,000	(6) 210,000	(6) 210,000
Div. on deb. B bonds.....	(3) 795,000	(4) 1,060,000	(2) 530,000	(2) 530,000

Balance, sur. or def. def\$2,864,597 def\$403,421 sur\$545,718 def\$159,259

* Incl. an amount yearly for additions and betterm'ts.—V. 95, p. 298, 177.

Chicago Milwaukee & St. Paul Ry.

(Report for Fiscal Year ending June 30 1912.)

Pres. A. J. Earling, Chicago, Aug. 1912, wrote in substance:

Results.—The total operating revenues were \$63,122,743, a decrease of \$1,853,252 as compared with the previous year. The revenue from freight traffic was \$42,815,573, a decrease of \$1,960,881, or 4.38%, and the revenue from passenger traffic was \$13,936,963, a decrease of \$140,794, or 1%.

The number of tons of freight carried was 26,575,784, a decrease of 217,863 tons, or .81%. The number of tons of all agricultural products carried was 5,179,062 tons, a decrease of 560,323 tons, or 9.76%, such products comprising 19.49% of the total tonnage carried, as compared with 21.42% last year. Commodities other than agricultural products aggregated 21,396,722 tons, an increase of 342,460 tons, or 1.63%, while the increase in products of mines was 344,191 tons and in manufactures of 97,992 tons.

The crop failure of 1911 in Western Minnesota, South Dakota and Southern North Dakota was the most complete that ever occurred in these States. This unprecedented crop shortage was largely the cause of the decrease in freight revenue for the past fiscal year. It affected the territory tributary to about 24% of the total miles operated. The decrease in the total number of tons of grain transported was 762,193 tons. This would have been much greater but for the increase of short-haul grain tonnage secured at other points. The average haul of grain was 233 miles, a decrease of 52 miles compared with the previous year.

The number of tons of revenue freight carried one mile decreased 4.09% and the revenue per ton mile was .8386 ct., a decrease of .30%. The average miles each ton of revenue freight carried was 182.12 miles—a decrease of 6.56 miles, or 3.30%. The number of tons of revenue freight per freight and mixed train mile was 287.98, against 274.58 last year, and the revenue from freight per train mile was \$2.4149, an increase of 4.56%.

The number of passengers carried decreased 1.50% and the number carried one mile increased 6,770,527, or 1%. The revenue per passenger per mile was 2.038 cts., a decrease of 1.97%, and the average miles each passenger was carried was 48.24 miles, an increase of 1.19 miles.

The semi-annual dividends paid Mch. 1 and Sept. 1 1912 on the \$116,348,200 common stock were only 2½% each, comparing with 3½% semi-annually from March 1902 to Sept. 1911 incl., and reducing the annual rate from 7 to 5% yearly.—Ed.]

Operating Expenses.—These were \$47,743,156, an increase of \$689,438, due to (a) an increase in maintenance of way and structures of \$946,914, in maintenance of equipment to \$841,887, in traffic expenses of \$1,864 and in general expenses of \$22,674, and (b) decrease in transportation expenses of \$1,123,901. The cost of labor in renewal of rails and ties, general track repairs and removal of snow, sand and ice, for the year, increased \$508,624.

Results on Chicago Milwaukee & Puget Sound Ry.—See separate income account below.—Ed.

Equipment.—During the year the following equipment has been acquired: 89 locomotives, 4 mail cars, 969 box cars, 2 ditchers, 2 wrecking cranes and 1 derrick car. The following equipment, which had been dropped from inventory prior to June 30 1907, was re-instated: 60 locomotives, 5 passenger cars, 4 sleeping cars, 2,501 box cars, 199 flat cars and 39 other cars. Eight locomotives and 772 cars of various classes were destroyed by wreck or fire, sold or taken down on account of small capacity; their original cost has been credited to road and equipment.

Orders have been placed for the purchase or building of additional equipment as follows: 171 locomotives, 2,061 box cars, 500 refrigerator cars, 20 passenger coaches, 15 sleeping cars, 10 tourist sleeping cars, 3 observation cars, 10 baggage cars, 5 gas electric motors, 10 box cars (narrow-gauge,) 5 stock cars (narrow gauge), 1,000 ballast cars, 3 gravel spreaders and 2 pile drivers.

Additions.—"Property investment, road and equipment," increased, net, \$9,381,163, the additions aggregating \$9,752,632 (from which was deducted \$371,475 for sundry credits), as follows:

Equipment.....	\$4,319,490	Yard improvements.....	\$500,840
2d main track.....	1,393,039	Shop improvements.....	324,606
3d & 4th main track.....	212,197	Line Crystal Falls to Iron Riv. 29.281	
Reducing grade & impr. line	245,138	Other add'ns & betterm'ts	2,728,047

During the year 2,058 miles of additional main track was completed, viz.: Minnesota Falls to Great Northern Tower, Minn., 5.80 m.; Montevideo to Double Track Switch, Minn., 10.09 m.; Whitman to Minnellska, Minn., 4.69 m.

Improvements Authorized.—The traffic has reached a point where additional facilities are demanded for safe and economical movement, and to meet these requirements construction was begun in April upon 323.9 miles of second track, of which 160 will be available this fall and the remainder next spring, viz. (miles):

Hopkins to Glencoe, Minn.....	40.8	Marion to Elberon, Ia.....	38.1
Granite Falls to Milan, Minn.....	27.5	Capron to Manilla, Ia.....	120.5
Milbank to Aberdeen, S. Dak.....	97.0		

Extensive improvements are being made at various points, increasing terminal facilities at Chicago, Milwaukee, Savanna, Ill.; Perry, Ia.; Council Bluffs and Montevideo, Minn. An extension is under construction from Crystal Falls to Iron River, Mich., about 22 miles of main track and 26 miles of side tracks to various iron mines. Automatic block signals are being installed between Rondout, Ill., and Lake, Wis., and between Elgin and Savanna, Ill. The tracks on the Hastings and Dakota Div. in Minneapolis are being depressed an average of about 20 ft. for about three miles at an estimated cost of \$1,060,000. This will result in eliminating 37 grade crossings.

Renewals, &c.—There were 82,175 tons of rail and 2,757,292 cross-ties laid in renewals, being an excess of 631 tons of rail and 930,205 ties at an increased expenditure of \$62,610 and \$632,160, respectively.

During the year 34 steel bridges, aggregating 3,085 ft. in length, and 18 masonry bridges, aggregating 1,270 ft. in length, were built—replacing 2,880 ft. of wooden bridges, 907 ft. of iron bridges and 568 ft. of embankment; and 454 wooden culverts were replaced with iron. About 2.6 miles of pile bridges were filled with earth, 108 bridges having been completely filled and 74 reduced in length by filling.

Funded Debt.—The funded debt has been decreased during this fiscal year by \$155,000 of bonds retired and canceled and it has been increased by \$1,056,000 of general mortgage bonds issued for bonds retired and canceled, as stated above, and for additions and improvements to property to June 30 1911, and by \$34,893,500 of convertible 4½% gold bonds (see V. 94, p. 1056, 1565) issued for the purchase and construction of additional lines of railway, additions to and improvements of railroad and property, and additional equipment and real estate necessary in the operations of the railroad; also for the purchase, construction and equipment of extensions, branches and additions the railroad of the Chicago Milwaukee & Puget Sound Ry. Co., the capital stock of which is owned by this company.

The amount of bonds at the close of the year is \$268,367,155, of which \$40,768,000 are in the treasury (this last item having been increased during the year by \$155,000 general mortgage bonds for underlying bonds paid and canceled and \$901,000 for additions and improvements).

Indiana Harbor Belt RR.—For the purpose of securing better facilities in the interchange of traffic with other railways outside of the limits of the city of Chicago, enabling it to more directly participate in serving the territory now under development in the vicinity of Indiana Harbor and Gary, Ind., and tributary territory, this company has acquired by purchase 20% of the outstanding capital stock and 20% of certain obligations of the Indiana Harbor Belt R.R., which owns or has trackage rights over about 104 miles of railroad connecting with the lines of this company at Franklin Park, Ill. (V. 93, p. 164; V. 86, p. 108.)

Outlook.—The 1912 crops of small grains in the territory tributary to the company's lines are excellent and the yield will be considerably above the average. Since June 30 1912 there has been a general revival of business in all lines, and the outlook is that there will be a substantial increase in the earnings of the current fiscal year.

OPERATIONS.

	1911-12.	1910-11.	1909-10.	1908-09.
Miles operated, average.....	7,511.41	7,511.56	7,511.56	7,511.73
Equipment—				
Locomotives.....	1,385	1,244	1,199	1,149
Passenger equipment.....	1,258	1,240	1,103	1,111
Freight & miscel. cars.....	48,690	45,752	46,173	46,474
Operations—				
Passengers carried.....	14,177,026	*14,392,918		
Pass. carried one mile.....	683,916,289	*677,145,762		
Rate per pass. per mile.....	2.038 cts.	*2.079 cts.		
c Freight (tons) carried.....	26,575,784	26,793,647	30,698,915	27,499,704
c Fgt. (tons) carr. 1 mile.....	65,105,842	65,323,535	65,326,908	65,051,527
Rate per ton per mile.....	0.838 cts.	0.841 cts.	0.843 cts.	0.838 cts.
Av. rev. tr.-load (tons).....	288	275	276	274
Earn. per pass. train m.....	\$0.9028	\$0.9628	\$1.0217	\$0.9235
Earn. per fgt. train mile.....	\$2.4149	\$2.3095	\$2.3233	\$2.2929
Earns. per mile of road.....	\$8.403	\$8.650	\$8.633	\$7.974

* Estimated. a Includes narrow-gauge equipment. b Three ciphers (000) omitted. c Revenue freight only.

INCOME ACCOUNT.

	1911-12.	1910-11.	1909-10.	1908-09.
Operating Revenues—				
Passenger.....	\$13,936,963	\$14,077,757	\$14,786,744	\$12,774,852
Freight.....	42,815,573	44,776,454	44,909,137	42,341,651
Mail, express, &c.....	6,370,207	6,121,784	5,151,013	4,780,960
Total oper. revenue.....	\$63,122,743	\$64,975,995	\$64,846,894	\$59,897,463
Expenses—				
Maint. of way & struc.....	\$8,812,314	\$7,865,401	\$8,472,825	\$7,288,603
Maint. of equipment.....	9,681,271	8,839,384	7,724,569	7,270,774
Traffic expenses.....	1,266,136	1,264,272	1,122,710	1,334,006
Transportation expenses.....	26,842,051	27,965,953	26,347,283	21,764,471
General expenses.....	1,141,384	1,118,709	1,123,610	1,073,385
Total expenses.....	\$47,743,156	\$47,053,719	\$44,790,997	\$38,731,238
P. c. oper. exp. to earn.....	(75.64)	(72.42)	(69.07)	(64.66)
Net operating revenue.....	\$15,379,587	\$17,922,276	\$20,055,897	\$21,166,225
Outside operations, net.....	a21,468	195,668	207,620	179,683
Total net revenue.....	\$15,401,055	\$18,117,944	\$20,263,517	\$21,345,908
Taxes.....	2,868,710	2,662,700	2,529,373	2,428,676
Operating income.....	\$12,532,345	\$15,455,244	\$17,734,144	\$18,917,232
Divs. on stocks owned.....	31,825	65,065,115	804,880	
Int. on C. M. & P. S. bds.....	5,283,516	4,730,978	6,059,496	
Int. on other securities, loans, &c.....	1,575,206	1,628,436	2,589,175	1,090,245
Miscellaneous income.....	292,425	116,420		
Rents—Credits.....	408,976	338,838	(d)	228,228
Total.....	\$20,124,293	\$27,335,031	\$27,187,695	\$20,235,705
Deduct—				
Int. on funded debt.....	\$8,494,529	\$8,372,348	\$6,651,215	\$5,855,717
Int. on European loan.....			160,589	
Hire of equip. balance.....	1,246,290	1,945,827	1,416,490	811,979
Rents—Debits.....	453,028	508,663	414,964	455,808
U. S. Gov't excise tax.....		149,879	126,489	
Prop'n of disc't on gen. M. 4% bonds.....			3,165	
x Divs. on pref. (7%).....	8,115,233	8,115,233	8,115,233	5,806,780
x Divs. on com (5%).....	5,797,300	(7) 8,116,220	(7) 8,116,220	(7) 6,966,743
Total deductions.....	\$24,106,380	\$27,208,170	\$24,737,365	\$19,897,027
Balance.....	def\$3,982,087	sur\$126,861	sur\$2450,330	sur\$338,678

a Outside operations, net—sleeping, parlor and dining cars, elevators, hotels and restaurants in 1911-12—include gross, \$1,365,789; expenses, \$1,344,321; net, as above, \$21,468.

b Dividends on stocks owned in 1910-11 include \$5,000,000 (5%) received on the \$100,000,000 Chic. Milw. & Puget Sound Ry. stock owned.

c Includes interest for 18 months on Ch. Mil. & Pug. Sd. bonds owned.

d Rents are shown in 1909-10 as a net item under deductions.

x Dividends as shown above include the semi-annual distributions made in March of the several fiscal years and those of September following, this method differing somewhat from that used by the company, but being employed for the sake of simplicity.

BALANCE SHEET JUNE 30.

	1912.	1911.	1912.	1911.
Assets—			Liabilities—	
Road & equip.....	\$296,242,602	\$289,236,420	Common stock.....	\$116,348,200
Stocks of prop. affil. &c., cos. unpledged.....	14,364,597	14,364,597	Preferred stock.....	\$116,274,900
Bonds of prop. &c., cos. unpledged.....	117,178,054	118,457,075	Funded debt.....	\$268,367,155
Adv. to prop. cos.....	48,457,494	38,852,080	Traffic, &c., bals. pay-rolls & vouchers.....	6,534,394
Misc. investm'ts.....	328,334	383,186	Mat. fund. debt.....	10,000
Cash.....	22,183,141	13,579,694	Misc. accounts.....	638,125
Com. stk. in treas.....	402,200	402,200	Int. & taxes accr.....	3,276,092
Pref. stk. in treas.....	343,000	343,000	French Gov't tax.....	
Bonds in treas.....	40,768,000	39,712,000	European loan.....	1,308,398
Loans & bills rec.....	2,539,681	473,217	Insurance fund.....	2,714,687
Traffic, &c., bals.....	319,522	257,217	Other def. credit items.....	234,244
Agts. & conduc.....	1,703,892	994,177	Approp. surp.....	422,065
Materials & supp.....	5,491,452	4,981,953	Inv. in sink. fds.....	431,565
Misc. accounts.....	2,345,889	1,973,592	Not specifically invested.....	790,123
Accrued interest.....	2,630,750	37,453	Profit and loss.....	642,931,525
Taxes paid applicable to later period.....	412,278	443,904		49,278,508
Sinking fund.....	431,565	477,214		
Insurance fund.....	2,801,100	1,804,544		
Other def. debit items.....	2,046,923	1,008,886		
Total.....	\$60,990,474	\$57,782,412	Total.....	\$60,990,474

a After deducting reserve for accrued depreciation, \$5,350,292. b After adding \$349,011 for salvage value of small capacity locomotives and cars returned to inventory Jan. 1 1912 and deducting \$1,013,700 for insurance reserve, and \$355,263 for expense of flotation of convertible 4½% bonds and making sundry minor debits and credits.—V. 94, p. 1565.

Chicago Milwaukee & Puget Sound Ry.

(Report for Fiscal Year ending June 30 1912.)

This subsidiary of the Chicago Milwaukee & St. Paul Ry. Co. (see above) reports through its President, H. R. Williams:

Results.—The total oper. revenues were \$16,132,612—Increase \$1,616,245. The revenue from freight traffic was \$12,980,491 (80.46% of total revenue)—an increase of \$478,533, or 3.83%. The number of tons of freight carried was 2,710,331, an increase of 258,160 tons, or 10.53%. The following classes of commodities show an increase: Products of agriculture, 156,026 tons; products of animals, 13,009 tons; products of mines, 111,968 tons, and products of forests, 51,507 tons. There was a decrease in manufactures of 65,284 tons, and commodities not specified, 9,066 tons. The number of tons of all forest products carried during the year was 1,096,459 tons, an increase of 4.93%. Forest products comprised 40.46% of the total tonnage carried, as compared with 42.61% last year.

The number of tons of commodities other than forest products carried was 1,613,872 tons, an increase of 206,653 tons, or 14.69%, the per cent of the total being 59.54%, against 57.39% last year.

The number of tons of revenue freight carried one mile increased 12.68% and the revenue per ton per mile (.883 cents) decreased .076 cent, or 7.92%. The average miles each ton of revenue freight was carried was 542.51 miles, an increase of 1.95%. The number of tons of revenue freight per freight and mixed train mile was 445.99, against 420.85 last year, an increase of 5.97%, and the freight revenue per train mile was \$3.5714, decrease .33%. The revenue from passenger traffic was \$2,631,901 (16.32% of the total revenue), an increase of \$1,028,305, or 64.12%. The number of passengers carried was 712,911, an increase of 9,244, and the number carried one mile was 107,236,713, an increase of 60.16%; the revenue per passenger per mile was 2.454 cents, an increase of .59 cent; the average miles each passenger was carried was 150.42 miles, an increase of 47.82 miles.

Operating Expenses.—These were \$9,512,028, an increase of \$1,221,899. There was an increase in maintenance of way and structures of \$229,961; maintenance of equipment of \$291,914; traffic expenses of \$188,680; transportation expenses of \$444,058, and general expenses of \$67,287. Taxes increased \$524,412.

Funded Debt.—The funded debt was increased during this fiscal year by \$732,410 1st M. bonds, issued for funds advanced by the Chicago Milwaukee & St. Paul Ry. Co. for extensions, construction and equipment.

Track.—The company was operating June 30 1912 2,602.26 miles of track (contrasting with 2,529.66 miles June 30 1911). Since the last annual report the line extending from Cedar Falls to Everett, Wash., 55 miles, and the extension of the Grays Harbor line, from Cosmopolis, Wash., to Hoquiam, also the line from Lewistown, Mont., to Hilger, 17 miles, have been completed.

Work in Progress.—A branch line extending in a westerly direction from Tiflis, Wash., to Moses Lake, about 15 miles, is now under construction. The Priest Rapids line, extending southeasterly from a point near Beverly, Wash., to Hanford, Wash., about 45 miles, will be completed about Jan. 1. Construction work on the line from Lewistown to Grass Range, Mont., 36 miles, has been resumed. Construction work on a line extending from Lewistown, Mont., to Great Falls, 137 miles, will be completed about June 1 1913.

This company has been operating over the track of the Butte Anaconda & Pacific Ry. Co. between Colorado Junction and Cliff Junction, Mont., a distance of 13.6 miles. In order to secure alignment and maximum grade corresponding to this company's line between Deer Lodge and Butte, contract has been let for an independent line between the points named. It will be completed about Feb. 1 1913.

Work on the Snoqualmie tunnel in the Cascade Mts., 11,700 ft. in length, is now under way. When completed, it will shorten the line 3.6 miles and eliminate the heavy grade on the present line between Rockdale and Laconia.

The work of improving our terminals in Spokane will be completed about Jan. 1. The line from Spokane to Marengo, Wash., 65 miles, which is being built by the Oregon-Washington RR. & Navigation Co., will be used jointly with this company. The line from Plummer to Bell will, in conjunction with the Spokane-Marengo line, and contracts giving each company the right to use the tracks of the other between Bell and the proposed Union Depot at Spokane, give your company a line via Spokane for through passenger trains.

Purchase.—In Feb. 1912 about 2 miles of track between Bagley Junction and Selleck, Wash., was purchased from the Seattle Southeastern Ry. Co. for \$80,000 of our bonds.

Equipment.—Orders have been placed for the purchase of 500 automobile carriage cars, 6 locomotives and 2 gas-electric motor cars. During the year the following equipment has been acquired: 30 locomotives, 6 cars for passenger service, 695 other cars; 2 ditchers, 4 steam shovels, 6 Lidgetwood unloaders, 2 slope levelers and 2 cable stretchers. One locomotive and 89 cars were sold or destroyed by wreck or fire.

Controlled Companies.—The results shown by the Gallatin Valley Ry. Co. as an independent corporation (see below) are not satisfactory, but taking into consideration the business created and secured for the Chicago Milwaukee & Puget Sound and the Chicago Milwaukee & St. Paul Railways, which for the year ending June 30 1912 amounted to approximately \$271,000, practically all of which was competitive, the property is regarded as a good investment. A line from Bozeman to the Dry Creek district, 25 miles northwest, is now under construction. This, when completed, will give access to the business of a rich agricultural district, and will be of very great advantage to the Gallatin Valley and affiliated companies.

In January 1912 we acquired 71% of the total capital stock of \$1,000,000 of the Bellingham Bay & British Columbia RR. Co. and all of the capital stock (\$200,000) of the Bellingham Terminal & Railway Co., which is leased to and operated by the Bellingham Bay & British Columbia RR. Co. The line extends from Bellingham to Glacier, Wash., with a branch line from Hampton to Lynden, a total of 70 miles of standard-gauge railroad, of which 7 miles is owned by the terminal company. The equipment consists of 8 locomotives, 8 passenger cars and 209 freight cars.

The Milwaukee Terminal Railway Co., organized with a capital stock of \$250,000, has car ferry landings, tracks and industrial spurs at Ballard, Port Blakely, Eagle Harbor and Bellingham, Wash.; also at Front St., Tacoma, between which landings and the Seattle and Tacoma terminals of the Chicago Milwaukee & Puget Sound Ry. Co. regular car ferry service is maintained, affording a connection with the Bell. Bay & British Col. Ry.

The Idaho & Western Ry. has during the year been completed from Dishman, Wash., to Coeur d'Alene, Idaho. A line connecting with your railway at Plummer, Idaho, and extending to Bell, Wash., a point on the Oregon-Washington RR. & Navigation Co.'s line, 22 miles, is now in course of construction and will be completed about Jan. 31 1913.

Track laying on the first 12 miles of the Big Blackfoot Ry. from Bonner, Mont., to Blackfoot Junction, was completed during the year and connection made with the logging railroad of the Anaconda Copper Mining Co. It is expected that the line from Big Blackfoot Junction to Browns Lake, Mont., will be completed next year.

TRANSPORTATION STATISTICS.

	Year ending June 30—		11 Mos. end.
	1912.	1911.	June 30 1910.
Rev. freight—tons carried	2,710,331	2,452,171	1,537,883
Rev. freight—tons car'd 1 mile	1,470,385,095	1,304,904,473	915,972,804
Tons of co. freight car'd 1 mile	150,603,257	163,424,325	186,777,810
Tons of rev. freight per train m.	404.56	374.01	321.38
Average rev. per ton per mile	0.883 cts.	0.958 cts.	1.046 cts.
Aver. freight rev. per train mile	\$3.5714	\$3.5833	\$3.3621
Passengers carried	712,911	*652,591	-----
Passengers carried 1 mile	107,236,713	*66,955,982	-----
Av. rev. from pass. p. pass. tr. m.	91.49 cts.	95.74 cts.	86.04 cts.
Average rev. per pass. per mile	2.454 cts.	*2.395 cts.	-----

Equipment, June 30 1912.—Locomotives, 427 (agst. 398 in 1911 and 368 in 1910); cars in passenger service, 221 (agst. 211 and 108); cars in freight service, 11,959 (agst. 11,513 and 10,895); caboose cars, 259; work train, wrecking and tool cars, 1,101; office car, 1.

* Estimated.

INCOME ACCOUNT.

	Years end. June 30—		11 Mos. end.
	1912.	1911.	June 30 '10.
Average miles	2,058.74	1,917.06	1,434.29
Freight earnings	\$12,980,492	\$12,501,958	\$9,582,570
Passenger earnings	2,631,901	1,603,596	995,422
Mail, express, &c	520,219	410,812	187,712
Operating revenues	\$16,132,612	\$14,516,367	\$10,765,704

Operating Expenses—			
Maintenance of way and structures	\$1,194,892	\$964,932	\$459,048
Maintenance of equipment	1,794,258	1,502,344	889,727
Traffic expenses	552,506	363,826	314,777
Transportation expenses	5,722,917	5,278,859	3,488,837
General expenses	247,455	180,168	122,471

Operating expenses	\$9,512,028	\$8,290,129	\$5,274,860
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Net operating revenue	\$6,620,584	\$6,226,238	5,490,844
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*Outside operations	112,114	13,808	37,829
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Total net revenue	\$6,732,698	\$6,240,046	\$5,528,673
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Taxes accrued	\$1,053,253	\$515,094	\$235,361
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U. S. Government excise tax	-----	13,747	4,980
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Operating income	\$5,679,445	\$5,711,205	\$50,288,332
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Hire of equipment	\$841,689	\$1,729,431	\$648,118
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Dividends on stocks	47,037	164,937	-----
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Interest on bonds owned	50,000	25,825	560
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Other interest	183,720	119,157	1,960
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Miscellaneous	53,762	40,062	-----
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Gross corporate income	\$6,855,653	\$7,790,617	\$5,938,970
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Deduct—			
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Rentals	\$231,550	\$53,615	\$76,097
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Interest accrued on bonds	6,213,008	4,920,000	3,666,667
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Extinguishment of disc. on securities	109,466	44,805	-----
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Dividends (2 3-10%)	-----	\$2,300,000	-----
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Miscellaneous interest	453,167	-----	-----
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Total deductions	\$7,007,191	\$7,318,420	\$3,742,764
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Balance	def. \$151,538	sur. \$472,197	sur. \$2,196,206
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Bal. of income acct. Mont. RR., 5 mos. ending Dec. 31 1909	-----	-----	59,234
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Balance for year, carried to credit of profit and loss	def. \$151,538	sur. \$472,197	sur. \$2,255,440
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*Outside operations, viz.: Sleeping and dining cars, hotels and restaurants, gross, \$596,112 in 1911-12, against \$651,921 in 1910-11 and \$400,683 in 1909-10; expenses, \$483,908, against \$638,112 and \$362,854; net, as above, \$112,114, against \$13,808 and \$37,829.

z There was also paid 2.7% (\$2,700,000) from "net income to June 30 1910," making a total of 5% (\$5,000,000) paid in dividends since the organization of the company (V. 93, p. 588.)

OPER. FOR FISCAL YEAR 1911-12 OF COS. INDEPENDENTLY OPERATED.

(Entire stock, except 29% of Bellingham Bay & British Columbia RR., owned.)

	Tacoma East RR.	Gallatin Vall. Ry.	Mine. Ry.	Bell. Bay & Bell. T. Ry. Co.	Total, All Cos.
Revenues	\$576,281	\$116,629	\$18,589	\$329,269	\$1,053,298
Expenses	\$414,976	\$83,899	\$35,462	\$212,856	\$747,400
Net revenue	\$161,305	\$32,730	\$16,873	\$116,413	\$305,898
Taxes	\$41,904	\$5,175	\$8,125	\$21,459	\$76,908
Operating income	\$119,401	\$27,555	\$24,998	\$94,954	\$228,990
Rents received	(net) \$12,974	deb 100 db. 1,580	db. 11,142	-----	152
Total	\$132,375	\$27,455	\$26,578	\$83,812	\$229,142

Deduct—					
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Int. paid C. M. & P. Rd.	\$73,782	\$39,457	\$533	-----	\$113,773
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Interest on bonds	\$44,200	-----	-----	\$32,411	\$76,611
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Hire of equipment	\$22,943	\$6,426	-----	\$3,880	\$33,249
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Other interest, &c	-----	-----	-----	\$14,081	\$14,081
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Sinking fund	-----	-----	-----	\$11,082	\$11,082
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Total	\$140,925	\$45,883	\$533	\$61,454	\$248,796
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Balance	df. \$8,550	df. \$18,428	df. \$27,111	sr. \$22,358	df. \$19,654
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BALANCE SHEET JUNE 30.

Assets—	1912.	1911.	Liabilities—	1912.	1911.
Road & equip.	\$267,789,478	\$258,792,229	Capital stock	\$100,000,000	\$100,000,000
Stks. of prop. &c.	-----	-----	Funded debt	\$155,691,410	\$154,959,000
cos. unpledged	\$7,418,049	\$5,876,507	Advan. rec'd for const., eq., &c.	\$29,422,342	\$15,698,816
Bonds unpledged	\$1,036,878	\$1,022,778	Pay-rolls & vouch.	\$2,195,934	\$1,846,324
Advan. to prop.	-----	-----	Coup. not presen.	\$40,400	-----
&c., cos.	\$4,146,266	\$3,289,880	Misc. accounts	\$234,560	\$356,242
Misc. invest'ns.	\$130,273	\$2,143	Unmatured int.	\$3,113,828	\$2,460,000
Cash	\$1,675,523	\$1,332,689	Dividends	-----	\$3,000,000
Accts. & condue.	\$421,002	\$528,636	Taxes accrued	\$454,365	\$204,618
Mater. & supp.	\$1,603,876	\$1,758,208	Def. credit items	\$224,734	\$20,896
Traffic, &c., bals.	\$619,011	\$411,960	Profit and loss	\$338,242	\$481,870
Misc. accounts	\$1,113,085	\$857,406			
Unexting. disc. on bonds	\$4,022,585	\$4,077,120			
Other def. debit items	\$1,739,189	\$1,078,210			
Total	\$291,715,815	\$279,027,766	Total	\$291,715,815	\$279,027,766

a After deducting \$2,700,000 (2.7%) paid in dividends from "net income to June 30 1910"—see income account above.—V. 94, p. 1185.

Minneapolis St. Paul & Sault Ste. Marie Ry.

(Report for Fiscal Year ending June 30 1912.)

Pres. E. Pennington, Minneapolis, says in substance:

Results.—Notwithstanding a grain crop much below an average yield, the gross earnings exceed those of any previous year. The average mileage operated was 3,773 miles, an increase of 49 miles. By reason of increasing cost of labor and higher cost of supplies, the cost of handling traffic continues to advance, while the general tendency to lower rates and increase taxation makes more difficult the earning of profits sufficient for reasonable returns to shareholders and for improvements required.

Extensions.—During the year the extension from Frederic to Duluth was completed and traffic between the Twin Cities and Duluth is now being handled over this new line. The line in North Dakota between Drake and Fordville (130 miles), construction of which was begun in 1910 and temporarily discontinued, will be ready for traffic about Oct. 1.

New Terminals in Chicago.—Chicago Terminal Ry. Co. Bonds.—To care for and develop the business of the Chicago division it was thought advisable to make some new provision for terminals at Chicago. Accordingly there was incorporated the Central Terminal Ry. Co. of Illinois with an authorized capital of \$2,000,000, fully subscribed for by your company, and acquired for this purpose the centrally located tract of land one block wide on the west side of the Chicago River between Canal and Clinton streets and extending from 12th St. to West 15th Place. Contracts have been made for the construction of concrete freight houses thereon, up to date in every particular. The property is made available by a contract with the Baltimore & Ohio Chicago Terminal RR. Co. for the use of that company's tracks to a connection with this company's Chicago division. A strip of land one-half block wide extending from Canal St. to Halstead St. has been acquired for the purpose of connection with the Baltimore & Ohio Chicago Terminal RR. Co.'s tracks and a considerable tract of land also acquired at 50th St. for yards, &c. It is expected that the improvements of these properties will be completed and ready for use when required.

In order to finance this proposition, your company and the Central Terminal Ry. Co. executed a joint mortgage covering the property and its improvements, providing for a possible issue of \$20,000,000 of 4% gold bonds, \$6,000,000 of which were sold. The proceeds are sufficient to complete the terminals as now planned; (see V. 93, p. 1463; V. 94, p. 279).

Other Bonds.—To provide funds for building the Frederic extension to Duluth, temporary advances for which had been made from the company's surplus account, there were issued \$1,520,000 of our first mtge. consol. gold bonds (V. 93, p. 544; V. 94, p. 351). There was also issued during the year \$1,020,000 of equipment trust notes in connection with additional equipment contracted for. [See a subsequent page.]

To provide for temporary advances that were made for revision work on the Chicago division, for payment of car trust obligations and retirement of maturing bonds of underlying mortgages of the Wisconsin Central Ry. Co., there were issued and sold during the year \$3,500,000 of Wisconsin Central Ry. Co. "first and refunding mortgage" bonds (V. 94, p. 489).

Outlook.—The increase in gross earnings under the somewhat depressed commercial conditions that have existed during the past two years reflects to some extent the growth and development of the country adjacent to the more recently constructed lines. The prospects for an unusually large grain crop in the Northwest this season are very bright and assures a very generous volume of business for the current year.

Expenditures Account of Construction and Equipment, Year ending June 30 1912. Total (net) \$3,902,087.

Superior ore dock line and dock.....	\$720,925	Fordville-Drake line.....	\$501,862
Bemidji-Cass Lake line.....	139,152	Camden Place wheat yard.....	200,402
Cuyuna Iron Range line.....	53,581	Add'ns, &c., to main line.....	470,584
Duluth line.....	1,934,427	Equipment, &c., credits (net).....	118,846

(1) Results for Entire System for Year 1910-11.

	Co.'s Own (Soo) Line	Chicago Division	Entire System 1911-12.	1910-11.
Gross earnings.....	\$17,105,686	\$9,578,555	\$26,684,241	\$21,972,578
Operating expenses.....	9,586,408	6,636,883	16,223,291	14,998,338
Net earnings.....	\$7,519,278	\$2,941,672	\$10,460,950	\$6,974,240
Inc. from other sources.....	1,058,236	40,783	1,099,019	964,082
Total income.....	\$8,577,514	\$2,982,455	\$11,559,969	\$7,938,322
Fixed chgs., taxes, &c.....	4,353,224	2,477,806	6,831,030	6,338,174
Balance, surplus.....	\$4,224,290	\$504,649	\$4,728,939	\$1,600,148

(2) Results for Minneapolis St. Paul & Sault Ste. Marie.

OPERATIONS, EARNINGS, EXPENSES, &C.

	1911-12.	1910-11.	1909-10.	1908-09.
Average mileage for year.....	2,741	2,639	2,461	2,360
Operations—				
Tons rev. freight carried.....	6,200,764	5,012,786	5,392,739	4,642,635
Tons rev. fgt. carr. 1 m. 1632831716	1070804319	1341468901	1087193221	1087193221
Av. rate p. ton p. mile.....	0.722 cts.	0.815 cts.	0.797 cts.	0.793 cts.
Fgt. earns per fgt. tr. m.....	\$2.85	\$2.67	\$3.01	\$2.81
Av. tons rev. fgt. tr. per m.....	395.50	328.24	378.01	354.27
Rev. passengers carried.....	1,930,486	1,846,822	1,958,919	1,778,545
Rev. pass. carried 1 mile.....	168,920.156	156,655.913	179,603.207	140,637.420
Av. rate per pass. per m.....	2.29 cts.	2.36 cts.	1.97 cts.	2.09 cts.
Pass earns. per train m.....	\$1.31	\$1.14	\$1.32	\$1.30
Earns. per mile of road.....	\$6.119	\$4.858	\$6.120	\$5.229
Earnings—				
Freight.....	11,934,792	8,726,608	10,691,434	8,622,168
Passengers.....	3,872,488	3,190,564	3,540,578	2,947,875
Mails.....	380,004	367,337	345,643	355,883
Express.....	300,609	266,400	229,616	192,183
Miscellaneous.....	282,807	268,279	252,966	221,645
Total earnings.....	\$16,770,700	\$12,819,188	\$15,060,237	\$12,339,755
Expenses—				
Maintenance of way, &c.....	\$1,697,402	\$1,427,664	\$1,442,700	\$1,262,244
Maintenance of equip't.....	2,027,240	1,817,107	1,568,603	1,364,319
Traffic expenses.....	295,361	286,770	284,857	221,205
Transportation.....	4,985,876	4,326,936	4,315,753	3,794,085
General expenses.....	336,565	304,688	276,741	272,754
Total expenses.....	\$9,342,444	\$8,163,165	\$7,888,654	\$6,914,607
Per cent exp. to earn.....	(56.0)	(63.8)	(52.7)	(56.3)
Net earnings.....	7,428,256	4,656,023	7,171,583	5,425,148
Outside operations (net).....	91,021	103,890	117,274	86,435
Total net revenue.....	\$7,519,277	\$4,759,913	\$7,288,857	\$5,511,583
Taxes accrued.....	1,123,135	839,306	908,279	873,094
Operating income.....	\$6,396,142	\$3,920,607	\$6,380,578	\$4,638,489
Other income.....	\$1,058,236	\$13,204	\$85,614	\$56,299
Gross corp. income.....	\$7,454,378	\$4,833,811	\$7,246,192	\$4,994,788
Deduct—				
Interest on bonds.....	\$2,507,440	\$2,316,864	\$2,214,312	\$2,144,440
Int. on equip'm't notes.....	152,415	130,755	84,075	79,950
Int. on Wisc. Cent. leased line certificates.....	445,837	445,716	443,969	109,402
Rental of terminals.....	124,396	109,049	103,394	127,351
* 7% div. on preferred.....	805,679	729,120	658,560	588,000
* Dividend on common (7) 1,611,358	(7) 1,458,240 (6 1/2) 1,233,120 (6) 1,008,000			
Total.....	\$5,647,125	\$5,189,744	\$4,737,430	\$4,057,143
Balance.....	sur. \$1,807,253	df. \$355,933	sr. \$2,508,762	sr. \$937,645

a Other income in 1912 includes: Dividends on stocks owned, \$450,002; interest on bonds owned, \$6,057; hire of equipment, \$336,145; interest, discount, rents, &c., \$266,032.

* Dividends are deducted by the company from profit and loss but are shown above for the sake of simplicity.

"SOO LINE" BALANCE SHEET JUNE 30.

	1912.	1911.	1912.	1911.
Assets—			Liabilities—	
Road & equip. a104,170,716	100,584,309		Common stock.....	25,206,800
Securs. of prop'y, affil., &c., cos b4,677,311	3,876,812		Preferred stock.....	10,416,000
Oth. sec. owned. c765,337	256,200		Cap. stk. subscr.....	3,423,020
Securs. in treas.....	18,700		Bonds.....	64,215,000
Real estate.....	176,758		Equip. tr. oblig.....	4,051,000
Mat'l & supplies.....	2,767,846	2,493,508	Traffic, &c., bal.....	156,334
Cash.....	5,271,256	2,520,432	Vouch. & wages.....	3,488,714
Agts. & conduc.....	1,315,977	1,140,795	Taxes accrued.....	458,091
Wisc. Cent. pref. stock dividend.....	111,487	111,455	Int., &c., due.....	1,242,745
Traffic, &c., bal.....	573,377	443,564	Interest accrued.....	142,492
Misc. accounts.....	941,817	644,088	Miscellaneous.....	378,985
Tri-State Ld. Co.....	1,395,079	1,329,288	Over. reserve.....	241,125
Spec. dep. for eq.....	1,254,561	736,310	Other deferred credit items.....	31,650
Wisc. Cent. Ry.....	1,089,853	247,000	Profit and loss.....	11,707,346
Milw. Term. Ry.....	258,115	247,000		
Other deferred debit items.....	450,588	389,779		
Total.....	123,972,167	116,058,851	Total.....	123,972,167

a After deducting reserve for accrued depreciation, \$1,461,477. b Securities of affiliated, &c., companies, include in 1912 Wisconsin Central Ry. stock, \$3,661,121; St. Paul Union Depot Co. stock, \$103,600; Minnesota Transfer Ry. stock, \$7,000, and bonds, \$55,000; Sault Ste. Marie Bridge Co. stock, \$500; Sault Ste. Marie Union Depot Co. stock, \$50,591; Central Terminal Ry. stock, \$660,000, and bonds, \$139,500. c "Other securities owned" include in 1912 Tri-State Land Co. stock, \$25,000; Western Express Co. stock, \$50,000; Cœur d'Alene & Pend d'Oreille Ry. bonds, \$25,200, and Wisconsin Central Ry. equipment contract, \$665,137.

Note.—The company has also the following contingent liabilities: (1) Jointly with Central Terminal Ry. of Illinois of \$6,000,000 bonds on property of that company; (2) \$11,148,700 4% leased line certificates, issued in exchange for Wisconsin Central preferred stock held therefor.

(3) Results for Wisconsin Central Ry. (Chicago Division).

OPERATIONS, EARNINGS, EXPENSES, &C.

	1911-12.	1910-11.	1909-10.	1908-09.
Average miles operated.....	1,091	1,086	1,078	976
Operations—				
Total tons carried.....	5,842,231	5,589,903	5,747,003	4,735,885
Tons carried one mile.....	1061557528	991,681,168	1051730355	835,885,906
Av. rate per ton per mile.....	0.670 cts.	0.649 cts.	0.648 cts.	0.659 cts.
Av. rev. tons per tr. mile.....	445.73	339.82	354.01	288.19
Earns. per fgt. train mile.....	\$2.98	\$2.20	\$2.29	\$1.89
No. passengers carried.....	1,826,658	1,777,920	1,671,727	1,592,870
No. pass carried 1 mile.....	100,124,362	99,278,532	86,654,929	87,452,600
Av. earns. per pass p. m.....	1.82 cts.	1.79 cts.	1.76 cts.	1.72 cts.
Av. earns. p. pass tr. m.....	\$1.00	\$1.01	\$1.03	\$1.11
Gross earnings per mile.....	\$8.700	\$8.058	\$8.285	\$7.745

INCOME ACCOUNT.

	1911-12.	1910-11.	1909-10.	1908-09.
Operating revenues—				
Freight.....	7,109,492	6,431,268	6,818,992	5,509,441
Passengers.....	1,829,759	1,780,925	1,531,411	1,509,110
Mail, express & miscell.....	554,045	537,260	511,428	475,804
Total.....	9,493,296	8,749,453	8,861,831	7,494,355
Expenses—				
Maint. of way & strucls.....	1,039,114	931,946	1,073,037	850,366
Maint. of equipment.....	1,322,065	1,342,077	1,171,035	1,019,772
Traffic expenses.....	268,216	256,694	268,441	282,346
Transportation expenses.....	3,696,601	3,814,058	3,129,047	2,705,385
General expenses.....	214,288	191,871	195,032	236,638
Total.....	6,540,284	6,536,646	5,836,592	5,094,507
P.C. exp. to earnings.....	(68.89)	(74.71)	(65.86)	(67.98)
Net operating revenue.....	2,953,012	2,212,807	3,025,239	2,399,848
Outside oper. (net).....	def11,340	1,520	7,038	5,112
Total net.....	2,941,672	2,214,327	3,032,277	2,404,960
Taxes.....	418,781	406,769	366,562	350,627
Operating income.....	2,522,891	1,807,558	2,665,715	2,054,333
Other income.....	40,783	50,878	55,669	34,467
Total income.....	2,563,674	1,858,436	2,721,385	2,088,800
Deduct—				
Interest on bonds, &c.....	1,593,188	1,508,205	1,470,631	1,250,092
Hire of equipment.....	23,072	150,795	52,260	72,050
Rentals of terminals.....	438,682	430,715	361,349	318,615
Disc. on bonds.....	4,083			
Preferred dividends.....	*225,344	*450,688	*650,187	*250,826
Total.....	2,284,369	2,540,403	2,534,427	1,891,583
Balance.....	sur279,305	def681,967	sur186,958	sur197,217

* Includes in 1908-09 dividends Nos. 1 and 2 (1%, or \$112,672 each), paid Dec. 1908 and Mch. 1909, and \$25,482 on account of dividend No. 3, 1%, paid July 1909; and in 1909-10 the remainder of dividend No. 3, \$86,827, No. 4 (1%), \$112,672, and Nos. 5 and 6, \$225,344 (2%) each; in 1910-11, Nos. 7 and 8, \$225,344 (2%) each; in 1911-12, No. 9, \$225,344 (2%). These dividends are deducted by the company from the profit and loss surplus, but are shown as above for the sake of simplicity.

WISCONSIN CENTRAL RY. BALANCE SHEET JUNE 30.

	1912.	1911.	1912.	1911.
Assets—			Liabilities—	
Road and equip. a66,482,719	66,704,170		Common stock.....	17,500,000
Securs. of prop'y, affil., &c., cos.....	162,000	155,303	Preferred stock.....	12,500,000
Other investments.....	1,200	13,200	Bonded debt.....	38,711,000
Cash.....	1,808,988	627,443	Equip. tr. oblig'ns.....	1,496,903
Co's stock in treas.....	2,586,400	2,586,128	Vouchers.....	4,294
Material.....	415,333	12,289	Int. divs., &c., due.....	516,638
Accts. & bills rec.....	236,267	31,228	Due "Soo" Line.....	1,089,863
Advances.....	109,852	110,129	Int. divs., &c., accr.....	143,607
Unexing. disc't on securities.....	572,562		Land dep't profit and loss.....	6216,807
Miscellaneous.....	82,509	114,092	Def'd cred. items.....	3,811
Total.....	72,457,830	70,353,982	Profit and loss.....	1,364,770

a After deducting reserve for accrued depreciation, \$1,100,108. b After deducting \$739,943 for deferred payments.—V. 95, p. 544, 481.

Buffalo & Susquehanna Railroad and Railway.

(Statement for Fiscal Year ending June 30 1912.)

Receiver H. I. Miller has favored us with the following:

INCOME ACCOUNT.

	Railroad. 1911-12.	Railway. 1911-12.	Both Roads 1911-12.	1910-11.	1909-10.
Avg. miles oper.	265.29	91.09	356.38	356.38	360.89
Revenue—	\$	\$	\$	\$	\$
Freight	1,554,377	462,028	1,997,912	2,070,182	1,910,787
Passenger	104,768	107,744	212,512	210,067	217,942
Excess baggage	796	364	1,160	1,305	1,209
Parlor, &c., car	71	415	486	465	464
Mail	11,238	5,764	17,002	17,010	16,983
Express	10,885	3,749	14,634	14,218	14,218
Milk (pass. tr'ns)	---	13,437	13,437	10,656	11,026
Other pass. rev.	203	200	403	563	305
Switching	1,661	---	1,661	9,738	13,188
Special	496	---	496	1,480	506
Miscellaneous	343	11	354	---	---
Total trans'n.	1,684,837	593,712	2,260,056	2,335,684	2,186,629
Car service	3,575	1,446	5,021	6,476	6,011
Rent bldgs., &c.	27,996	176	28,172	30,518	10,011
Miscellaneous	1,104	238	1,343	1,642	9,785
Total op. rev.	1,717,512	595,572	2,294,592	2,374,320	2,212,437
Oper. Expenses—					
Maint. way & struc.	345,301	96,774	442,075	388,518	400,034
Maint. of equip.	321,857	318,546	640,403	670,189	685,507
Traffic expenses	17,826	6,039	23,865	29,784	25,844
Transport. exp.	648,075	272,558	920,140	899,790	870,141
General expenses	74,251	31,203	105,454	101,390	95,219
Total op. exp.	1,407,310	725,120	2,113,937	2,089,671	2,076,745
Net oper. rev.	310,202	def. 129,548	180,655	284,649	135,692
Outside op., def.	---	471	472	429	346
Taxes	26,000	16,800	42,800	48,000	48,000
Oper. income	284,202	def. 146,819	137,383	236,220	87,346
Other Income—					
Hire of equipm't	---	331,460	191,718	207,798	141,495
Joint facil. rents	---	732	732	732	732
Miscell. rents	9,267	40	116	865	108
Interest	10,294	8,301	18,495	14,370	301
Miscellaneous	7,500	5,250	12,750	---	---
Total other inc.	27,061	345,783	223,811	223,766	142,636
Gross income	311,263	198,964	361,194	459,986	229,982
Deduct—					
Hire of equipm't	139,742	---	---	---	---
Joint facilities	21,432	20,508	41,840	39,171	39,198
Misc. rents, &c.	254	11,596	2,660	1,892	2,334
Int. receiv. cts.	1,275	25,000	26,275	42,461	958
Total deduct'ns	162,703	57,104	70,775	83,525	42,491
Net income	148,560	141,860	290,419	376,461	187,491

the reduction of tonnage, and, owing to the rebuilding of bridges and other structures necessarily undertaken early in the year, and the retirement of unserviceable freight cars, there was a considerable increase in maintenance.

The net financial result of the operations of the year was, therefore, disappointing to the stockholders as well as to the management, being equivalent to less than 1% on the common stock.

Bonds.—The company had made application to the Public Service Commission for authority to issue \$2,171,000 general mortgage bonds, with which to reimburse the company for capital expenditures made since November 1910, and to provide for the completion of certain work progressing under contract, which application was pending at the close of the year and has not yet been passed upon. The proceeds of the bonds were required mainly to discharge the floating debt incurred on account of the improvements made, and will be so applied when the authorization is given.

Rates.—Shortly before the close of the year an investigation of all rates on anthracite coal on all lines was ordered by the Inter-State Commerce Commission, which occasioned uncertainty as to the tariffs.

Dividends.—Under all these conditions, your board deemed it unwise to make any dividend disbursement upon the common stock.

Physical Condition.—The property is in good physical condition and in shape to carry efficiently a much larger volume of traffic than has yet been offered. Less expenditure for road improvements will be needed for a considerable period to come. The shops, lately enlarged and equipped with modern machinery at a very considerable cost, are now adequate to make general repairs to motive power, and have already shown great saving in the cost of such repairs, which before had to be made at outside shops. A comparatively heavy expenditure will be necessary during this and the succeeding year or two in replacing coal cars which, bought in large numbers at the opening of the Scranton branch, and from time to time since, as the tonnage increased, demand renewal at about like intervals and numbers as the original lots bought, and with a heavier and more expensive construction to meet modern requirements.

Condensed Data from Report of General Superintendent Canfield.

The gross earnings decreased \$767,758 or 8.26%, and the net earnings (after taxes) decreased \$732,417, or 29.34%. The surplus, after deducting fixed charges, rentals, &c., was \$473,729, and in the previous year \$1,142,936, a decrease of \$669,207, or 58.55%.

Local passenger earnings increased \$34,422, or 2.43%, and through passenger receipts decreased \$27,130, or 13.09%. Local freight earnings decreased \$52,989, or 4.75%, while through freight earnings decreased \$16,872, or 1.95%.

The revenue received from the transportation of coal was \$3,843,962, a decrease of \$753,240, or 16.38%, as compared with the preceding year. The total shipments from the Scranton division, including supply coal, were 3,296,879 gross tons, a decrease of 407,365, or 10.98%; and excluding supply coal were 3,164,739 gross tons, a decrease of 356,123 tons, or 10.12%. The coal tonnage trans-shipped to vessels over our docks shows:

	1912.	1911.
To the Lakes, via Oswego.....	77,915	183,991
To tidewater, via Cornwall and Weehawken.....	1,838,851	2,060,136

The sum expended for maintenance of way and structures during the year was \$1,266,413, an increase of \$178,621. This increase is shown in items of ties, rails, roadway and bridges, and is due to a higher standard of maintenance made necessary by the increasing weight of equipment. Three steel bridges of an aggregate length of 785 ft. were rebuilt for heavier loading; one viaduct of 510 ft. was replaced with a concrete structure and embankment in connection with the second track construction on Scranton Div.; five steel bridges of an aggregate length of 507 ft., in place of wooden and lighter bridges were built, and 14 openings of an aggregate length of 142 ft. were filled on Northern Div. The rebuilding and improvement of bridges incurred for replacement in kind an expense or maintenance charge of about \$115,000 for the year.

	1912.	1911.	1891.
Steel or iron bridges.....	241	242	94
Wooden bridges.....	2	2	89
Wooden trestles.....	41	41	124

About 32 miles of 85-lb. rail have been used in repairs to main track. There were used in repairs 252,517 ties, being 61,046 more than in the preceding year, at an average price of 63 cts.

The balance against this company for the hire of equipment was \$155,981, a decrease of \$120,647 from that of the preceding year.

The extensions of second track from Carbondale north to the main line at Cadonia, 37.34 miles, and from Mayfield Yard south to Olyphant, 9.02 miles, covering the junctions with the Riverside and Johnson breaker mine branches, have been completed. There are now 47.21 miles of second track on the Scranton Div. in use, and 2.50 miles, including the large bridges and viaducts which cross the valleys at Carbondale and Cadonia, in process of construction.

OPERATIONS AND FISCAL RESULTS.

	1911-12.	1910-11.	1909-10.	1908-09.
Miles operated June 30.....	566	566	566	546
Operations—				
Pass. carried, No.....	2,199,664	2,201,062	2,148,972	2,065,411
Pass. carried 1 mile.....	86,175,680	86,227,166	85,364,944	80,592,224
Rate per pass. per mile.....	1.896 cts.	1.886 cts.	1.865 cts.	1.869 cts.
Freight carried (tons).....	5,944,499	6,620,741	5,680,781	5,731,588
Fr't (tons) car'd 1 mile.....	863,683,142	970,773,368	837,672,900	820,957,230
Rate per ton per mile.....	0.758 cts.	0.754 cts.	0.794 cts.	0.787 cts.
Avg. train-load (tons).....	292	296	270	267
Earn. per fr't. train mile.....	\$2.21	\$2.23	\$2.14	\$2.10
Earn. per pass. tr. mile.....	\$1.0680	\$1.0558	\$1.0498	\$0.9940
Gross earnings per mile.....	\$15.077	\$16.435	\$15.167	\$15.187
DETAILED FREIGHT TRAFFIC RECEIPTS (Incl. Milk on Pass. Trains).				
Through freight rev.....	\$847,960	\$864,829	\$898,697	\$851,152
Local freight revenue.....	1,061,829	1,114,819	1,088,443	1,012,456
Milk revenue.....	799,064	749,855	766,153	734,115
Coal revenue.....	3,843,962	4,597,202	3,903,739	3,875,583

INCOME ACCOUNT.

	1911-12.	1910-11.	1909-10.	1908-09.
Earnings—				
Passenger.....	\$1,683,911	\$1,626,609	\$1,592,250	\$1,506,586
Freight.....	6,545,777	7,318,954	6,649,635	6,465,999
Mail and express.....	215,679	215,027	209,831	191,706
Miscellaneous.....	132,577	135,102	127,067	125,879
Total.....	\$8,527,944	\$9,295,702	\$8,578,783	\$8,290,170
Operating Expenses—				
Traffic expenses.....	\$132,470	\$125,563	\$139,244	\$114,263
Transportation expenses.....	3,366,317	3,613,220	3,191,409	3,053,847
Maint. of equipment.....	1,533,195	1,494,634	1,316,064	1,380,387
Maint. of way, &c.....	1,266,413	1,087,791	1,034,454	920,196
General expenses.....	210,147	210,411	200,994	174,408

	1911-12.	1910-11.	1909-10.	1908-09.
Total.....	\$6,508,541	\$6,531,619	\$5,882,147	\$5,643,101
Per cent exp. to earnings.....	(76.32)	(70.26)	(68.56)	(68.07)
Net earnings.....	\$2,019,403	\$2,764,083	\$2,696,636	\$2,647,069
Outside oper., deficit.....	33,411	52,610	43,842	36,321

	1911-12.	1910-11.	1909-10.	1908-09.
Total net revenue.....	\$1,985,992	\$2,711,473	\$2,652,794	\$2,610,748
Taxes accrued.....	221,926	214,990	211,693	189,160

	1911-12.	1910-11.	1909-10.	1908-09.
Operating income.....	\$1,764,066	\$2,496,483	\$2,441,100	\$2,421,588
Rentals received.....	17,584	16,414	12,567	16,094
Interest, &c.....	345,333	367,729	390,750	412,317

	1911-12.	1910-11.	1909-10.	1908-09.
Gross corp. income.....	\$2,126,983	\$2,880,626	\$2,844,417	\$2,849,998

	1911-12.	1910-11.	1909-10.	1908-09.
Disbursements—				
Rentals paid.....	\$72,764	\$65,579	\$54,357	\$58,259
Interest on bonds.....	1,107,453	1,030,881	957,920	960,420
Other interest.....	129,675	142,496	152,056	152,877
Rentals.....	187,381	222,105	255,302	251,943
Hire of equipment.....	155,981	276,629	111,935	83,372

	1911-12.	1910-11.	1909-10.	1908-09.
Totals.....	\$1,653,254	\$1,737,690	\$1,531,620	\$1,506,871
Balance.....	\$473,729	\$1,142,936	\$1,312,797	\$1,343,127
Div. on pref. stock.....	210	210	210	210
Div. on com. stock (2%).....	—	1,162,126	1,162,118	1,162,112

	1911-12.	1910-11.	1909-10.	1908-09.
Balance for year.....	\$473,519	def. \$19,400	sur. \$150,469	sur. \$180,805

BALANCE SHEET JUNE 30.

Assets—	1912.	1911.	Liabilities—	1912.	1911.
Road & equip't.....	\$82,613,017	\$82,064,200	Common stock.....	\$58,113,983	\$58,113,983
Securities of pro- prietary, affil- iated & control'd companies.....	10,002,472	10,415,007	Preferred stock.....	4,000	4,000
Misc. invest'ts (see c below)	105,041	105,041	Mortgage bonds.....	26,650,000	26,650,000
Adv. to other cos.....	40,061	40,061	Gold notes.....	1,400,000	1,800,000
Cash.....	311,313	940,851	Equip. trust notes.....	856,006	998,000
Traffic balances.....	845,586	1,035,308	Loans & bills pay.....	1,571,563	408,809
Loans & bills rec.....	10,324	10,348	Traffic balances.....	76,482	77,646
Agents & cond'rs.....	108,365	43,531	Vouchers & wages.....	571,507	1,085,740
Material & supplies.....	852,244	1,059,618	Operating reserves.....	214,680	189,653
Other work assets.....	985,855	862,891	Oth. def. cred. items.....	22,902	76,801
Def. debit items.....	22,751	22,311	Matured int., div. & rents unpaid.....	59,248	60,951
			Int., divs. & rents accrued.....	322,029	1,487,462
			Profit and loss.....	\$5,929,599	\$5,646,142

Total.....\$95,791,993 \$96,599,187

a After deducting reserve for accrued depreciation (equipment), \$742,541.
b Securities of proprietary, affiliated and controlled companies include in 1912 pledged stocks, \$1,895,000, and funded debt, \$4,000,000; also unpledged stocks, \$417,138; funded debt, \$3,570,000, and miscellaneous, \$120,334.

c After deducting \$104,152 for sub-lease on royalty of Peck property, formerly carried in misc. investments, and \$85,910 for misc. adjustments (net).—V. 95, p. 481, 358.

Interborough-Metropolitan Co., New York.

(Report for Fiscal Year ending June 30 1912.)

Pres. Theo. P. Shonts, New York, Sept. 3, wrote in subst.:

Reorganization of Metropolitan Street Ry. Co.—Interest in New York Railways Co.—On Nov. 28 1911 your company decided to participate in the plan (V. 93, p. 1533) formulated by the joint bondholders' committee of the Metropolitan Street Ry. Co. "general and collateral mtg." 5% bonds and refunding mtg. 4% bonds, whereby the New York Railways Co. was incorporated Dec. 29 1911, under the Stock Corporation Law of N. Y. State, and took possession of the property and franchises which formerly belonged to the Street Ry. Co. The securities issued by the new company and the amounts thereof acquired by or on account of your company, by virtue of its participation in the plan, are the following:

Securities of N. Y. Rys. Co.—	Issued.	Acquired.	Now Held
Stock.....	\$17,500,000	\$15,256,743	\$15,256,743
First real est. & ref. M. 4% bonds.....	16,299,168	4,358,364	None
Adjustment M. 5% income bonds.....	30,629,177	2,616,006	None

The foregoing participation required a cash contribution by your company of \$6,367,259. In order to avoid the necessity of borrowing so large a sum in cash, the first mtg. and adjustment bonds were disposed of in connection with the financial arrangement, thus reducing the net amount required to be borrowed by your company, as aforesaid, to \$1,817,000 (V. 93, p. 1532; V. 94, p. 207).
The New York Railways Co. possesses a valuable property of great earning possibilities, embracing all the equities in perpetual street railway franchise rights, ownership of considerable valuable real estate and long-term leasehold privileges of eleven important street railway companies. The first six months' operation of the new company exhibits (see report, V. 95, p. 676) a gratifying growth from month to month in gross revenue, and some economies of operating cost, which will necessarily be better demonstrated by a full year period of operation. It is expected, also, that the contemplated re-arrangement of terminals and the release of costly property not required for operating purposes, together with the adoption of the new, improved type of surface cars and the ultimate payment into the treasury of the company, as the principal creditor of the Metropolitan or New York City receiverships, of a considerable portion of the large funds, aggregating \$7,000,000, now in the hands of the Court, will contribute largely to the increased net revenues of the company (V. 95, p. 677).

NEW YORK RYS. CO. OPERATIONS FOR 6 MONTHS OF 1912 (000 OMITTED).

	Jan.	Feb.	Mch.	Apr.	May.	June.
Revenue from transportation.....	\$1,037	\$987	\$1,081	\$1,116	\$1,173	\$1,142
Other street ry. oper. rev.....	46	44	44	41	42	41
Tot. rev. from St. Ry. oper.....	\$1,083	\$1,031	\$1,125	\$1,157	\$1,215	\$1,183
Oper. exp. and taxes.....	796	753	801	768	787	810
Income from Street Ry.....	\$287	\$278	\$324	\$389	\$428	\$373
Non-oper. income.....	32	32	31	33	32	35

	Gross income.....	\$319	\$310	\$355	\$422	\$460	\$408
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Interborough Rapid Transit Co.—For the year ended June 30 1912 the gross oper. revenue of the Rapid Transit Co. (see report, V. 95, p. 614, 677) amounted to \$31,246,392, an increase of \$1,479,040. After the payment of all charges, the net income (exclusive of the \$900,000 received from the dividend on the capital stock of the Rapid Transit Subway Construction Co.) was \$5,623,766, equivalent to 16.07% upon the capital stock of the company, as against 14.68% the previous year. From this amount must be deducted the regular dividend of 10%, leaving a net surplus from operations of the year of \$2,123,766. The total number of passengers carried was 607,244,697, an increase of 29,090,609. Owing to the lengthening of the station platforms and the inauguration of 10-car train service, the capacity of the subway was considerably increased, so that the increase in the number of passengers carried represents the natural growth of travel following improved accommodations.

INCOME AND DISBURSEMENTS.

Receipts—	Years end. June 30—	Yr. end. Dec. 31 1910.
Div. on 339,128 shares of Interb. R. T. Co. stock.....	*(16%) \$5,426,048 (9) \$3052,152 (9) \$3052,152	
Int. on bank bals., loans, advs., &c.....	327,783	324,293
Reduction in capital stock tax paid to N. Y. State in 1908.....	—	90,766
Total receipts.....	\$5,753,831	\$3,376,445
Disbursements—		
Int. on \$67,825,000 Interb.-Met. 4 1/2% collateral trust bonds.....	\$3,052,125	\$3,052,125
Expense account.....	94,996	83,528
Taxes.....	29,873	32,692
Int. on notes and loans.....	451,530	400,901
Claim against N. Y. C. Ry. canceled by agreements of June 1910.....	—	36,405
Total disbursements.....	\$3,628,524	\$3,569,246
Balance.....	sur. \$2,125,307	def. \$192,801

* Includes extra div. of 1%, \$339,128, paid Oct. 2 1911 out of the earnings for the year ending June 30 1911.

BALANCE SHEET.

Assets—	J'ne 30 '12.	Dec. 31 '10.	Dec. 31 '09.
Interb. Rap. Tran. Co. stock at cost.....	104,563,042	104,563,042	104,563,042
Metropolitan St. Ry. Co. stock at cost.....	—	68,684,455	68,684,455
N. Y. Railways stock at cost.....	70,512,140	—	—
Metropolitan Securs. Co. stock at cost.....	28,329,695	28,329,695	28,329,695
Met. Sec. Co. loans secured by 3-yr. 5% improv. notes, stocks & bonds of subsidiary cos. as collateral.....	5,704,883	5,124,469	8,281,204
Advanced agst. the 25% unpaid subscription to stock of Met. Sec. Co.....	7,348,000	7,348,000	—
Metrop. Securities Co. stock, full paid.....	36,773	36,773	36,773
Office furniture and fixtures.....	6,902	6,902	6,902
Engineering in suspense (additional subways).....	250,152	150,152	100,152
Cos. coll. tr. 4 1/2% for sink fund.....	364,677	—	—
Cash and accounts receivable.....	1,205,908	870,242	1,099,882
Total.....	\$218,322,172	\$215,113,730	\$211,102,105

	J'ne 30 '12.	Dec. 31 '10.	Dec. 31 '09.
Liabilities—			
Common stock	93,262,192	93,262,192	93,262,192
Preferred stock	45,740,000	45,740,000	45,740,000
Collateral trust 4½% bonds	67,825,000	67,825,000	67,825,000
Notes payable	27,856,520	6,549,400	2,749,400
Accounts payable	4,710	180,288	24,173
Interest account	826,942	763,031	763,031
Income account	2,806,807	793,818	738,308
Total	218,322,172	215,113,730	211,162,105

a Includes \$2,039,520 6% registered notes, dated Jan. 1 1912; \$4,000,000 5-year 6% notes, dated July 1 1910, and \$1,817,000 2-yr. 6% secured notes, dated Dec. 22 1911. V. 94, p. 1695.

Lake Superior Corporation, Toronto.

(Report for Fiscal Year ending June 30 1912.)

Pres. T. J. Drummond, Sault Ste. Marie, Ont., Aug. 1912, wrote in substance:

Results.—We have pleasure in reporting increased earnings, notwithstanding the fact that new construction is not yet completed and that operations have been greatly interfered with in consequence. The volume of business has been maintained, and in view of this and of the satisfactory prospects, your directors feel warranted in paying interest on income bonds for the year at the rate of 5%.

Steel Plant.—The steel company's mills from continuous operation show:

	1910-11.	1911-12.
Pig iron	170,359 tons	258,979 tons
Steel rails	208,283 "	241,729 "
Merchant mill material		39,466 "

The production of pig iron and steel rails was the largest yet attained. The new blast furnace, as well as the coke ovens, are producing in accordance with expectations. It is expected that all construction work now on hand will be completed before winter.

The Lake Superior Power Co.—The result of this company's operation was satisfactory and the sale of power continues to increase. The Lake Superior Paper Co. (V. 92, p. 798) has commenced operating under its contract and it is expected that the earnings of the power plant will, in consequence, be increased.

Helen Mine.—The output of the Helen Mine for the year was 166,362 tons, the entire quantity being reserved for Steel Company's operations.

Algoma Central & Hudson Bay Ry. Co.—Again we report increased earnings for the year. On account of the scarcity of labor, the extensions previously indicated were not completed at June 30, but the Hawk Lake-Hobson section has just been inspected by the Government and it is expected will be passed for immediate operation. The main line from Mile 68 to Hawk Lake Junction will also be completed this year. Of this only a small mileage remains to be ballasted, the steel being completely laid. Extensions to the north of the Canadian Pacific Ry. are proceeding rapidly and it is expected that connection will be made with the Canadian Northern (50 miles north of the Canadian Pacific) before winter. This connection will be of very decisive benefit to the company, as the Canadian Northern Ry. Co. has intimated its intention of taking in its rails and supplies via the Algoma Central. (Compare V. 91, p. 93; V. 92, p. 1635; V. 94, p. 415, 1382.)

Algoma Eastern Ry. Co.—With the exception of the swing bridge at Little Current, the building of this railway through Crean Hill to Little Current, will be completed this year and the subsidies and land grants duly earned. The results as compared with the previous year show an increase; but full benefit from this railway cannot be derived until the dock facilities are installed at Little Current. The completion of the Algoma Eastern Ry. will enable the vast district which this railway serves to have facilities for shipping by water. The importance of these to such as the nickel and paper industries in the district cannot be over-estimated. (Compare V. 93, p. 227, 795; V. 94, p. 1382.)

International Transit Co.—Reports very satisfactory progress, the net earnings showing an increase of 75%.

Trans St. Mary's Traction Co.—Also shows improved results and these are likely to continue, in view of increased industrial activity.

Tagona Water & Light Co.—Shows increasing results in both its electric lighting and water departments. With the development of Sault Ste. Marie, Steelton and adjoining districts, prospects are good.

General.—During the year a very important financial readjustment took place. The Algoma Steel Corporation, Ltd. (previously Lake Superior Iron & Steel Co., Ltd.) took over the plant, properties and business of the Algoma Steel Co., Ltd., the Lake Superior Power Co., the Algoma Commercial Co., Ltd., together with the full interests of Fiborne Limestone Co., and the control of Cannelton Coal & Coke Co. Short-term notes of the Steel Companies have, under the new consolidation, been entirely repaid. [See V. 94, p. 1599; also see V. 94, p. 1697 for official statement in connection with the offering of "first and refunding" mortgage 5% 50-year sinking fund gold bonds of the Algoma Steel Corporation, guaranteed p. & i. by the Lake Superior Corporation. Bonds dated 1912, due April 1 1962, being part of \$13,500,000 (£2,774,000) issued and outstanding out of a total authorized issue of \$30,000,000 (£6,164,300).—Ed.]

On account of the increasing demands for steel rails, the old blooming and rail mills are being replaced with larger and more modern plants. The new construction yet to be completed consists of the installation of turbines for the development of surplus power, the 350-ton melting furnace, which is almost finished, the new iron works buildings, which will be occupied and fully equipped next month, and other work of a minor nature, all of which will, as stated, be completed before winter. The Maple mine plant has been installed and will, it is expected, be in operation in October. Your directors expect to show continued progressive results.

OPERATIONS OF SUBSIDIARY COS. FOR YEAR END. JUNE 30 1912.

Surplus for the year from the operations of all of the subsidiary companies, subject to depreciation and other charges.....\$1,579,378
Add earnings brought forward from last year, incl. earnings of Lake Superior Iron & Steel Co. Ltd., now released from sinking fund by refunding of notes.....223,226

Deduct interest paid to bank in respect of advances.....\$1,802,604
76,334

Deduct Charges, Dividends, &c., Paid by Subsidiary Companies.....\$1,726,270

Interest on bonds of the Algoma Central & Hudson Bay Ry., Algoma Eastern Ry., Lake Superior Iron & Steel Co., Ltd., (now Algoma Steel Corp., Ltd.), Cannelton Coal & Coke Co., and other subsidiaries.....\$578,308
Amounts set aside for redemption of capital of the Helen mine, sinking fund payments and sundry renewals, &c.....191,262
Reserved for doubtful debts and for losses of previous years.....15,505
Paid to the Lake Superior Corp. by subsidiary cos. as interest on bonds, notes, &c., and as dividends.....695,976

Total.....\$1,481,051
Balance reserved for extensions and improvements.....\$245,219

INCOME FOR FISCAL YEAR ENDING JUNE 30.

	1911-12.	1910-11.	1909-10.	1908-09.
Int. and div. on securities of subsidiary cos.	\$695,976	\$429,140	\$564,719	\$501,424
Other income	124,449	189,430	113,506	65,087
Total	\$820,425	\$618,570	\$678,225	\$566,512
Int. on bonds and notes and general expenses	653,007	532,392	622,852	543,516
Bal. credit prof. & loss	\$167,418	\$85,978	\$55,373	\$22,996
Balance preceding years	\$4,346	\$3,368	\$322,178	\$499,182
Sundry debits & credits			48,343	
Total	\$171,764	\$89,346	\$625,894	\$522,178
Transferred to reserve fund	\$21,764	\$10,000		
Reserved for depreciation of investments			\$547,525	
Int. on income bonds—(5%) 150,000		(2½%) 75,000	(2½%) 75,000	
Tot. sur. as per bal. sh.	\$4,346	\$3,368	\$522,178	

BALANCE SHEET JUNE 30.

	1912.	1911.		1912.	1911.
Assets—			Liabilities—		
Invest. & secur. of subsidiary cos.	\$8,627,348	47,575,196	Capital stock	40,000,000	40,000,000
Real estate	194,502		First mtge. bonds	5,800,000	5,800,000
Cash for coupons	29,425	20,038	3-year 6% notes		2,503,000
Due from sub. cos.	841,653	5,607,093	Income bonds	3,000,000	3,000,000
Cash	86,465		Bank, &c., advan.	589,000	1,145,944
Discount on 1st M bond sold		204,800	Bals. due sub. cos.	342,857	
Office furniture & fixtures	3,246	2,792	Accrued interest	32,489	61,667
Depos. with Standard Trust Co.	604,510		Coupons due (con.)	29,425	20,038
Miscellaneous	9,526	3,140	Inc. bd. int. pay.	150,000	75,000
Accr. int. on Algoma St. Corp. bds.	24,167		Reserve account	468,556	507,525
			Suspense account	1,940	205,164
			Miscellaneous	6,575	3,375
			Profit and loss		4,346

Total.....50,420,842 53,413,051
The company had (as of June 30 1912) contingent liabilities on its guaranty of principal and interest of \$10,080,000 Algoma Central & Hudson Bay Ry., \$2,500,000 Algoma Eastern Ry. and \$13,500,000 Algoma Steel Corp. bonds.—V. 95, p. 114.

Westinghouse Air Brake Co., Pittsburgh, Pa.

(Report for Fiscal Year ending July 31 1912.)

Pres. George Westinghouse, Pittsburgh, Sept. 11 1912, wrote in substance:

Results.—Net sales totaled \$9,977,236, as compared with \$8,036,193 last year, with net earnings from all sources of \$3,889,073, an increase of \$854,842, or 22%. As usual, liberal charges have been made to cover depreciation, development work, patents purchased, uncollectible accounts and other adjustments, leaving a net profit of \$3,676,161, which, added to the balance carried forward July 31 1911, made a total surplus of \$10,731,155. Out of this surplus the company paid during the year cash dividends aggregating 20%, and on July 10 1912 a stock dividend of 33 1-3%, leaving balance July 31 1912, \$3,398,215, as shown (V. 94, p. 1191).

New Stock.—Previous to the declaration of the stock dividend, the shareholders authorized the increase of the capital stock from \$14,000,000 to \$20,000,000, of which there remains unissued \$1,676,733 after the payment of the stock dividend referred to above (V. 94, p. 1191).

The Equitable Trust Co., 37 Wall St., N. Y. City, has been designated as transfer agent in addition to the Union Trust Co. of Pittsburgh. Application has been made to list the stock on the N. Y. Exchange and it is thought that all necessary formalities will be completed by Oct. 1.

Balance Sheet.—Larger sales and more active business are responsible for the increase in accounts and bills receivable, likewise for the decrease in factory stores. Changes in investments are reflected under that item. Betterments to the Wilmerding plant and property made during the year have been charged off as depreciation, leaving ledger balances at the same figures as shown in the last report.

Subsidiary and Associated Companies.—During the year these for the most part have shown gratifying increases in gross and net earnings. The Canadian Westinghouse Co. paid cash dividends aggregating 8% on its outstanding capital stock of \$4,376,600, and passed to surplus and reserve account \$524,231, representing 12% additional. The Westinghouse Brake Co., Ltd. of London also reports largest net earnings for some years, namely £84,942, out of which the usual dividends (20%) have been paid.

Decision—General License.—During the year the U. S. Court for the Dist. of N. J. handed down an important decision in one of the several suits for infringement brought against the New York Air Brake Co., sustaining your company's patent covering the "quick service freight brake." As the result of this decision the New York Air Brake Co. sought and after careful consideration the Westinghouse Air Brake Co. granted the New York company a general license under our United States patents upon terms and conditions satisfactory to your management, and by which your interests are fully safeguarded. The determining factor in concluding this arrangement was the benefit that will accrue to our patrons, the railroads, and to the traveling public from the establishment of uniform standards of brake apparatus (V. 94, p. 212, 987).

The decision referred to was rendered by the U. S. District Court in favor of the Westinghouse Co., sustaining its patent for the "K" triple valve, or "quick service" brake, which is deemed essential for the successful operation of air brakes on long freight trains. According to newspaper statements, the license covers all the patents of the Westinghouse Co., so that the New York Co. will hereafter be able to supply Westinghouse standard apparatus, each company being free to make any type of air brake apparatus under patents owned by either company. The license agreement, it is stated, does not affect prices or territory, each company remaining free and independent in these respects as heretofore.—Ed.]

Dividend Policy.—Following the long-established policy of the company, it is the purpose of the board to pass to its surplus and reserve accounts in prosperous years a substantial percentage of net earnings for the continued betterment of the company's properties, the extension of its activities when expedient and for the payment of dividends in years when earnings are insufficient therefor. Past experience indicates that in years of normal business an average annual distribution of \$2,500,000 to \$3,000,000 may be reasonably anticipated. On the present capitalization of \$18,323,000, dividends aggregating 16% require \$2,931,680. In view of the volume of current business, which is extremely satisfactory, the board has this day declared a regular quarterly dividend of 2% and an extra dividend of 2%, both payable Oct. 15 to stockholders of record Sept. 20 (V. 95, p. 685).

INCOME ACCOUNT.

	1911-12.	1910-11.	1909-10.	1908-09.
Sales for year	\$9,977,236	\$8,036,193	\$12,463,005	\$5,286,021
Net earnings, all sources (incl. profit on sales)	3,889,073	3,054,231	4,653,102	2,039,273
Depreciation, &c.	212,912	161,667	429,824	118,716
Net income	\$3,676,161	\$2,872,564	\$4,223,278	\$1,920,557
Dividends	\$2,749,508	\$2,749,430	\$2,749,267	\$1,374,461
Rate of dividend	(20%)	(20%)	(20%)	(10%)
Balance, surplus	\$926,653	\$123,134	\$1,474,011	\$546,076

a There was also deducted from accumulated surplus a stock dividend of 33 1-3%, calling for \$4,583,333, paid July 10 1912.

BALANCE SHEET JULY 31.

	1912.	1911.		1912.	1911.
Assets—			Liabilities—		
Cash on hand	2,722,773	2,511,079	Capital stock	18,323,267	14,000,000
Accts. & bills rec.	4,140,263	2,885,812	Accounts payable	431,147	328,197
Invests., incl. stk. in assoc'd cos.	8,250,708	8,634,275	Def. liability acct. * 1,131,508	* 1,140,512	
Patents	2,000,000	2,000,000	Depreciation reserve fund	800,000	800,000
Wilmerding plant	2,500,000	2,500,000	Pension fund	140,093	134,675
Real estate	1,840,000	1,840,000	Surplus fund	23,398,215	7,054,894
Factory stores, including material	2,770,486	3,087,112			
Total	24,224,230	23,458,278	Total	24,224,230	23,458,278

* Deferred liability account includes time deposits of associated companies.

x After deducting stock dividend paid July 10 1912, \$4,583,333 (33 1-3%).—V. 95, p. 685.

GENERAL INVESTMENT NEWS.

RAILROADS, INCLUDING ELECTRIC ROADS.

Algoma Central & Hudson Bay Ry.—Construction.—See Lake Superior Corp. under "Annual Reports" above.—V. 94, p. 1382.

Algoma Eastern Ry.—Progress of Construction.—See Lake Superior Corp. under "Annual Reports" above.—V. 94, p. 1382.

American (Electric) Railways, Philadelphia.—Report of Holding Company.—The statement for the fiscal year ending June 30 shows total receipts of the subsidiary companies \$4,894,307, against \$4,635,165 in 1910-11. The results for the American Railways are as follows:

Year—	Receipts.	Expenses.	Bond Int.	Div. (6%).	Surplus.
1911-12	\$864,375	\$23,325	\$377,750	\$392,289	\$71,011
1910-11	810,414	17,526	370,400	381,787	40,701
1909-10	693,678	15,175	325,209	342,073	11,221

—V. 94, p. 1382.

Bartlesville (Okla.) Interurban Ry.—Sold to Doherty & Co.—This company's road and lighting plant have been sold to H. L. Doherty & Co. A press dispatch says that the shareholders receive from the sale an amount exceeding by 25% what they paid for their stock. Compare V. 93, p. 793.

Birmingham Ensley & Bessemer (Electric) RR.—New Enterprise.—This company, which is being financed by Morris Brothers of Philadelphia, has opened the first division of its line, extending from Ensley to the terminal station in Birmingham. "Birmingham Ledger" Sept. 7 said:

The road was built by McArthur Brothers of New York and 85-lb. steel rails were used; ballast 18 inches. Standard gauge and capable of supporting any weight of cars. The power to operate the line is furnished by Tennessee Coal Iron & RR. from its plant at Ensley. Within three months the operation of the line will be extended on the east to East Lake through Avondale and Woodlawn, and early in 1913 cars will be running over the line from Bessemer to East Lake, a distance of 23 miles.

The entire line from Bessemer to East Lake will have cost about \$2,000,000 to construct. It will run through Possum Valley, Ensley, Birmingham, Avondale, Woodlawn and East Lake, coming in touch with almost half the population of Greater Birmingham and the greatest industrial section of the district. The local officials are J. M. Dewberry, Vice-Pres. and director, and Forney Johnston, attorney and director. George I. Brown is Gen. Man. (Pres., J. H. Morris, Sec. P. S. Briggs, both of Phila.)

While this is a distinct corporation, Morris Brothers of Philadelphia, who have financed it and own a majority of the stock, also own the Tuscaloosa Belt Line Ry. (which it is stated will be electrified within a few months) and have secured valuable rights of way between Birmingham and Tuscaloosa on one end and between Gadsden and Birmingham on the other. This would appear to foreshadow that in the not distant future there will be a connection with the Birmingham Ensley & Bessemer Electric line between Birmingham and Tuscaloosa with other far-reaching projects still in contemplation.

(In July the Birmingham Ensley & Bessemer RR. Co., then described as a subsidiary of the Tidewater RR. Co., projected from Gadsden to Tuscaloosa, filed notice of an increase in capital stock from \$3,000 to \$4,500,000, the common stock to be \$3,000,000 and the pref. \$1,500,000, and made a mortgage to the Equitable Tr. Co. of N. Y., as trustee, to secure an issue of \$3,500,000 5% bonds dated Mch. 1 1911 and due Mch. 1 1941, par \$100, \$500 and \$1,000. Int. M. & S.—Ed.)

Boston & Maine RR.—New Bonds and Stock.—The shareholders will vote Oct. 9 on authorizing the issue of \$10,663,700 common stock and \$7,500,000 bonds, as follows:

(a) An issue of 106,637 new shares of common stock for payment of money borrowed for purchase of capital stock of Worcester Nashua & Rochester RR. Co., Maine Central RR. Co., Boston & Lowell RR. Co. and Concord & Montreal RR., acquired under provisions of Chapter 194 of Acts of Mass. of 1898, and for other necessary and lawful purposes. And to determine the price at which, conformably to law, the stockholders shall be entitled to subscribe therefor, and in what proportion of their holdings of old stock.

(b) Not exceeding \$7,500,000 par value bonds for the purpose of making additions to the equipment, for abolishing grade crossings and for making permanent improvements to road, for funding floating debt and paying and refunding 1st mtge. bonds of the Worcester Nashua & Rochester RR. Co. of the par value of \$511,000, maturing Jan. 1 1913. (The Boston "News Bureau" understands that approximately \$6,500,000 of the bond proceeds will be used for the purchase of new equipment, including approximately 6,000 freight cars of various types, 100 passenger coaches and 80 locomotives.—Ed.)—V. 95, p. 478.

Boston & Worcester Electric Companies.—Report.

Boston & Worcester Electric Companies.					
June 30	Total Income.	Net Earnings.	Interest &c.	Dividends Paid.	Balance, Surplus.
Year—					
1911-12	\$69,590		\$1,113	\$57,872	\$605
1910-11	20,239		17,684	None	2,555

Boston & Worcester Street Railway.					
Year—	Total Income.	Net Earnings.	Interest &c.	Dividends Paid.	Balance, Surplus.
1911-12	\$619,923	\$258,485	\$171,772	\$68,969	\$17,744
1910-11	615,687	259,832	165,365	None	94,467

—V. 93, p. 1667.

Brooklyn & North River RR.—Application Denied.

The P. S. Commission on Sept. 20, by a divided vote, denied the application for approval of a temporary permit issued by the Commissioner of Bridges to operate cars across the Manhattan Bridge, between Flatbush Ave., Brooklyn, and the North River, Manhattan. The refusal is based on the opinion of counsel that the permit granted by the Commissioner of Bridges is null and void, so far as authority to operate over the bridge is concerned, and that the pending application to the Board of Estimate for a franchise must be granted before the P. S. Commissioners can approve the same.—V. 95, p. 416, 235.

Buffalo Rochester & Pittsburgh Ry.—Bonds Offered.

Wm. A. Read & Co., N. Y., Boston, Chicago and London, are placing at a price to yield 4 1/4%, \$500,000 consol. mtge. 4 1/4% gold bonds due May 1 1957. Outstanding, \$6,689,000; authorized, \$35,000,000. The bankers say:

A legal investment for savings banks and trust fund, in N. Y., Conn. and Me.; tax-exempt in N. Y. and Penna. and listed on N. Y. Stock Exchange. Secured by a direct mortgage lien and ultimately will be secured by the first lien upon the entire property. The first mortgage lien at present covers 70 miles of railway, the company's five-story office building in Rochester, terminal and other lands at Buffalo, Rochester and other points, and valuable equipment; also the company's one-half interest in the \$500,000 capital stock of the Lake Ontario Ferry Co., Ltd., which operates a car ferry across Lake Ontario connecting with Grand Trunk Ry. (which owns the other half interest), and has paid dividends of at least 5% in each year since 1907. The \$9,997,000 prior lien issues all mature by 1939, and cannot be increased or extended. The annual reports show the accrued interest on this issue earned considerably over 8 times in each year since the execution of the mortgage in 1907. Compare V. 95, p. 357, 361, 365.

Oedar Rapids & Iowa City Ry. & Lt. Co.—New Name, &c.

See Iowa Railway & Light Co. below.—V. 89, p. 1541.

Central Terminal Ry., Chicago.—Status—Bonds.

See Minneapolis St. Paul & Sault Ste. Marie under "Annual Reports" above.—V. 93, p. 1385.

Central RR. of New Jersey.—Earnings.

Year—	Gross Earnings.	Net Earnings.	Income.	Fixed Charges.	Divs. (12%).	Balance, Surplus.
1911-12	27,828,690	10,543,107	2,200,128	6,734,163	3,292,416	2,716,656
1910-11	27,626,877	10,869,831	2,276,890	5,998,620	3,292,416	3,855,685

From the balance as above was appropriated \$2,000,000 for additions and betterments in 1911-12, against \$3,000,000 in 1910-11, leaving a surplus of \$716,656 in 1911-12, against \$855,685.—V. 95, p. 679.

Central Vermont Ry.—Steamship Line to be Operated May 1.

—The company, it is announced, will on May 1 next begin the operation of a daily freight and passenger steamboat line between New York and Providence, the Grand Trunk ex-

tension to that port from Palmer, Mass., being expected to be completed.

The two large steamers to be used for this service are now under construction at Wilmington, Del. Compare V. 94, p. 1693, 910.

Chicago & Alton RR.—Bond Issue Approved.

The stockholders on Sept. 20 authorized an issue of \$20,000,000 20-year general mortgage 6% bonds (V. 94, p. 1565, 1695.)—V. 95, p. 480, 361.

Chicago & Eastern Illinois RR.—Equipment Trusts.

Kuhn, Loeb & Co., New York, have purchased and have resold to investors \$3,310,000 5% equipment certificates, maturing in semi-annual installments (probably of \$165,000 and \$166,000 alternately) from Mch. 1 1913 to Sept. 1 1922, but subject to redemption at 101% on any interest date upon 60 days' notice.

These certificates represent 90% of the cost of new equipment, as follows: 3,000 50-ton steel frame general service cars; 20 steel-under-ame caboose cars and 25 Mikado type freight locomotives. Coupon certificates of \$1,000 each of the Commercial Trust Co. of Phila., trustee, with privilege of registration. P. & I. (M. & S.) payable in gold coin without action for taxes. Par \$1,000 each.—V. 95, p. 110.

Chicago Elevated Rys.—Divs on Controlled Cos.' Stock.

The dividends of 1/4 of 1% on the Metropolitan Elevated Ry. pref. stock and 1 1/4% on South Side Elevated Ry. stock, both payable Sept. 30, compare with 2% and 2 1/4%, respectively, in June and 1 1/4% and 1 1/4%, respectively, in Feb. 1912. No declaration has been made, however, on the Northwestern Elevated pref. stock, 2% having been disbursed in Feb. last.—V. 95, p. 110, 47.

Chicago & Western Indiana RR.—Notes Sold.—J. P. Morgan & Co. have taken the \$10,000,000 3-year 5% notes

dated Sept. 2 1915, issued for the acquisition of the property of the Chicago Union Transfer Co. and the enlargement of Chicago terminals. (See "Chronicle" of Mch. 30, page 910, and Aug. 17, page 419). This note issue is secured by the mtge. under which \$200,000,000 of 50-year bonds are authorized, the mortgage providing that the first \$10,000,000 should be the notes now issued. (See V. 95, p. 419). The operating company, known as the Belt Railway Co., leases the terminal properties from the Chicago & Western Indiana for 50 years at a rental equal to the interest on the bonds.—V. 95, p. 419, 361.

Cleveland (Electric) Ry.—Stock Authorized.

The Ohio P. S. Commission on Sept. 16 authorized the company to issue \$3,014,920 additional stock, which is offered to stockholders at par. Compare V. 95, p. 480, 236.

Coal & Coke Ry.—Report.—For year ending June 30:

Fiscal Year—	Gross Earnings.	Net Ry. Dept.	Net Coal Dept.	Other Inc.	Int. & Taxes.	Balance, Surp.
1911-12	\$1,117,959	437,972	def. \$11,191	\$9,809	\$360,586	\$76,004
1910-11	942,753	337,657	27,735	840	328,148	38,084

—V. 93, p. 1185.

Danville (Va.) Traction & Power Co.—Sale of Bonds.

Alexander Brown & Sons, Baltimore, Md., are placing at 90 and int., yielding nearly 5 3/4%, \$400,000 1st M. 5% gold bonds, due July 1 1941, but redeemable at 107 and int. on any interest date upon 60 days' published notice. Maryland Trust Co., trustee. Interest J. & J. A circular reports capitalization, &c., as follows:

First mortgage 5% bonds, all issued and offered herein.....\$400,000
Pref. stock, 7% cumulative, all issued and receiving full divs.....200,000
Common stock, authorized \$300,000, issued.....200,000

Earnings for Calendar Years 1911 and 1910 and First 6 Mos. of 1912.

	6 Mos. 1912.	Year 1911.	Year 1910.
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Gross revenue.....\$66,921 \$117,079 \$109,690

Net income (after oper. exp. and taxes).....\$57,327 \$52,329

In 1911 the company earned nearly three times the interest (\$20,000) on the total amount of the bonds, or sufficient to pay not only the above interest and full dividends upon the pref. stock, but to leave a balance equal to over 11% on the common stock. No dividends, however, were paid on the common stock. The bonds are secured by a first and closed mortgage on all the property of the company, which owns and operates the entire system of street railways of Danville, Va. Practically all of the stock is owned by citizens of Danville.

Danville is situated on the main line of the Southern Ry., is the second largest manufacturing city in Virginia and the largest loose leaf and largest bright leaf tobacco market in the world. The largest cotton mills in the South are located there, employing about 4,500 operatives. From 1900 to 1910 its population increased 16%, the value of its manufactured products 75%, its bank deposits 90%, annual sales of its jobbing trade 216%. Expert James F. Heyward reports: "The safety and value of the bonds as an investment are, in my opinion, beyond question. The bonds mature on July 1 1941; the franchise runs to Jan. 1 1950. The population served is probably 25,000. The distribution of population and topography of the city are particularly conducive to large earnings for a minimum of service. The gross earnings per car mile are unusually large; July 1912 being 35.15¢. The city has large manufacturing plants and many industries to insure employment for its citizens. The control and management insure careful, intelligent and efficient management. Compare V. 95, p. 480.

Denver Northwestern & Pacific Ry.—Reorganization.

The plan of reorganization provides for a new 30-year first M., authorized for \$35,000,000, 5% bonds, the old mtge. to be foreclosed. The \$3,500,000 Denver Ry. Securities Co. 6% notes are to be exchanged at par for these new bonds at 85 and int. the \$2,940,000 of the old first mtge. bonds unpledged are to receive 50% in the new bonds and 20% in income adjustment bonds. The incomes will be authorized for \$2,000,000. All the new bonds to be given in exchange for old securities will be for four years, graded as to the interest. Mr. Newman Erb agrees to take at 85 a sufficient amount of the new firsts to produce \$1,132,000 cash.

Bondholders' Protective Committee.—The following committee has been formed to protect the interests of the first M.

4% bonds, of which \$10,940,000 are outstanding, of which the Denver Railway Securities Co. owns \$8,000,000, subject to the lien of the 6% Colorado-Utah Construction Co.:

A. J. Hemphill, President Guaranty Trust Co., Henry M. Blackmer, President of the International Trust Co. of Denver, and D. Baldwin, of the Empire Trust Co., New York. Deposits are requested with the International Trust Co., Denver, or the Guaranty Trust Co. of New York, in exchange for certificates. The Denver Railway Securities Co. will, it is announced, comply with the request, and large Eastern holders will also deposit at once.

Equipment Orders.—The company has, it is stated, arranged to order equipment to cost about \$500,000.

The equipment will consist of 300 all-steel coal cars, 100 steel under-frame box cars, 25 stock cars, 12 cabooses and 6 refrigerator cars, and will be paid for partly from the proceeds of the sale of the \$300,000 receiver's certificates to be authorized and with equipment trust notes which have not yet been authorized. Later 10 locomotives, to cost about \$200,000, will be ordered and likewise paid for by equipt. trusts.—V. 95, p. 679, 544

Fitchburg RR.—New Bonds.—The stockholders will vote on Sept. 25 on authorizing \$450,000 bonds to provide means to pay for additions and improvements.—V. 94, p. 68.

Gary (Ind.) & Interurban Ry.—Reported Financing.—Newspaper advices report that the company has arranged to float in London a loan for \$4,000,000 to extend its lines.

The main line of the Gary & Interurban, which at present runs from Gary and the steel works to Indiana Harbor and Whiting ls, it is stated, to be extended to South Chicago, making direct connection with the South Chicago traction lines, and the present Valparaiso line is to be extended south and east in Indiana. The Gary & Interurban system also includes the Gary Connecting Railways and the Valparaiso & Northern Ry. The Gary Connecting Railways connect at Goodrum with the Goshen South Bend & Chicago Ry. When the contemplated plans are completed direct trolley connection will be given Central Indiana towns and cities with Chicago.—V. 91, p. 1385.

Grand Trunk Pacific Ry.—New Directors.—Sir Felix Schuster and Sir Henry White, who are directors of the London board of the Grand Trunk, and take their turn on the Grand Trunk-Pacific board.

Track-laying on the main line to the Pacific Coast has, it is stated, reached 1,100 miles west of Winnipeg, while track-laying from the Pacific Coast easterly has reached 176 miles, leaving a section of only about 460 miles to be constructed.—V. 94, p. 911.

Houston Belt & Terminal Ry.—Application to Issue Bonds.—The company has applied to the Texas RR. Commissioners for authority to issue and register \$218,000 additional bonds, making a total of \$5,000,000, the limit of the mortgage.—V. 93, p. 796.

Iowa Railway & Light Co., Cedar Rapids, Ia.—Merger—Bonds Offered.—Harris, Forbes & Co., N. Y., Harris Trust & S. B., Chicago (the trustee), and N. W. Harris & Co., Inc., Boston, are offering at 97 and interest by advertisement on another page the unsold portion of the present issue of \$1,687,000 "first and refunding mortgage" 20-year 5% gold bonds dated Aug. 30 1912 and due Sept. 1 1932, but redeemable at 103 and int. on and after Sept. 1 1915. Int. M. & S. in N. Y. or Chicago. Par \$500 and \$1,000 (c*).

Digest of Statement by Pres. William G. Dows, Cedar Rapids, Ia., Sept. 14. This company (formerly Cedar Rapids & Iowa City Ry. & Light Co.) has recently acquired a number of successful public utility companies in Central Iowa and now owns and operates the properties in successful operation for many years, some since the early eighties, formerly owned by: Cedar Rapids & Iowa City Ry. & Lt. (Marion Light, Heat & Power Co. Co. (V. 77, p. 2279). Perry Elec. Lt., Pow. & Htg. Co. Tama & Toledo Ry. Co. Tama & Toledo Elec. Power Co. woone Electric Co.

To provide for the rapidly increasing demand for current for lighting and power purposes, and for needed extensions and enlargements to its street and interurban railway system, the company has authorized an issue of \$10,000,000 "first and refunding mortgage" 20-year 5% gold bonds.

Capitalization—
 Preferred stock 7% cumulative.....\$3,000,000
 Common stock.....3,000,000
 First and refunding 5s.....10,000,000
 Reserved to retire \$1,313,000 Cedar Rapids & Iowa City Ry. & Lt. Co. 5s due in 1923.....1,313,000
 [Funds are reserved out of the present issue of bonds for the retirement forthwith of \$513,000 bonds secured upon the recently acquired properties. No additional bonds of the Cedar Rapids & Iowa City Ry. & Lt. Co. can be issued except as additional security to the "first and refunding" 5s.]

Upon retirement forthwith of the bonds for which cash has been reserved, the new bonds are, in the opinion of counsel, secured by (a) Direct first mortgage on all property formerly owned by the old companies named above, other than the Cedar Rapids & Iowa City Ry. & Lt. Co., to the extent of the purchase price paid out of the proceeds of these bonds, and (b); by direct mortgage on all other property, subject only to the \$1,313,000 1st M. 5s due in 1923, which are a first lien on the electric light, power and heating property in Cedar Rapids and the interurban railway to Iowa City.

Application of the Authorized Issue of \$10,000,000 Bonds.
 Now issued to reimburse the company for part of cost of acquiring certain of its properties and for extensions and additions.....\$1,687,000
 Reserved to retire the underlying first 5s due in 1923.....1,313,000
 Reserved: (1) For not to exceed 80% of the cash cost of future permanent extensions and additions; (2) under careful restrictions for acquiring other public utility corporations in this territory, or (3) for retirement or acquisition of bonds or other evidences of debt of corporations which have been acquired 7,000,000
 Bonds of this \$7,000,000 can be issued only in case the annual net earnings are 1 1/4 times the annual interest charge, including the controlled companies, and also bonds applied for.

The company is required to deposit annually in cash in a special trust fund, 1916 to 1921, 1%; 1922 to 1926 2%, and 1927 to 1931 3%, of the total amount of bonds outstanding (including underlying bonds), as a sinking fund for the redemption of bonds of this issue or for permanent extensions and additions for which no bonds will be issued.

Properties.—Owns and operates, without competition, the electric light and power properties in Cedar Rapids, Marshalltown, Marion, Boone, Perry, Tama and Toledo; a high-grade interurban electric railroad, 27 1/2 miles in length, between Cedar Rapids and Iowa City; the local street railways in Marshalltown, Boone, Tama and Toledo; the gas plant in Marshalltown and the heating properties in Cedar Rapids, Boone, Marion and Perry. The interurban railroad is constructed by modern steam railroad standards on private right-of-way, substantially 100 ft. in width, and has excellent terminal facilities for both passenger and freight service in Cedar Rapids and Iowa City. We are extending this line east to Mount Vernon, 15 miles, and the work is being pushed rapidly.

Franchises have been secured in a number of adjacent towns, and the company is extending its transmission lines to acquire this new business. The territory served is about 150 miles in length and 25 miles in width, and it is our intention to connect all properties, distributing the current from the large central stations. A new 4,500 h. p. turbo-generator is now being installed in the Cedar Rapids station, increasing our total installed generating capacity to approximately 15,000 h. p.

Earnings for Year ended July 31 1912 (for One Small Property Partly Est.).
 Gross earnings.....\$877,896
 Net after taxes.....\$317,444
 Balance.....\$167,444

Territory Served.—One of the best agricultural sections in the United States for corn, oats, wheat, barley, rye, hogs, cattle and dairy products, and serving eight cities having a combined population estimated to exceed 85,000, and with many manufacturing industries, extensive railway shops, &c. The franchise situation in the various towns is unusually satisfactory. On the basis of the investment in the property by the present owners, there is an equity over and above the bonds now offered of between \$1,500,000 and \$2,000,000.

The company is owned and operated by local capitalists, who give it their personal attention, being under the same management which has so successfully developed the Cedar Rapids & Iowa City Ry. & Lt. Co.—V. 89, p. 1541.

Kansas City Ry. & Light Co.—See page 752.

Lehigh Valley Transit Co., Allentown, Pa.—Bonds.—Nelson, Cook & Co., Balt., are placing at 91 1/2 and int. \$100,000 ref. and impt. M. 50-year 5% gold bonds.

Extracts from Letter of Pres. R. P. Stevens, Allentown, Sept. 10 1912.

Issued Capitalization.
 Pref. stock, (paid 2% in divs. during past 12 mos.).....\$5,000,000
 Common stock.....\$3,000,000
 First M. 4s and 5s, \$4,957,000, and cons. M. 4s, \$354,000.....5,311,000
 Refunding & impt. 5s (incl. \$209,000 in treasury).....4,088,000
 Through the deposit of all the bonds and stocks of the Montgomery Traction Co., these bonds now become practically a first

mortgage on the 14 miles of track, extending from Lansdale to Norristown, which will form part of the new high-speed line to Philadelphia.

The company now owns and controls 160 miles of electric railway and stocks of several electric light and power companies. Direct physical connection is made with important electric railways, including a line to Easton and a new through route to the Delaware Water Gap and Stroudsburg, in part of which this company has an interest. The company recently acquired the Montgomery Traction Co., giving it entrance into Norristown. At Norristown connection will be made with the Phila. & Western Ry. and entrance obtained into Philadelphia over the tracks of that company at the Union Terminal at 69th and Market streets, the terminus of the Market Street Elev. RR. of the Phila. Rapid Transit Co. This will permit operation of an entirely new high-speed service for through business between Allentown and Philadelphia, and the company has been making numerous important cut-offs and improvements to be in readiness for the inauguration of the fast service this year.

The reconstruction of the Montgomery Traction Co.'s line will be completed and through cars put in operation Oct. 1912, cutting down the time between Allentown and Philadelphia (City Hall) from 4 1/2 to 2 1/2 hours. The average time of steam road express trains between these points is about 2 hours. The fare via the electric line will be at least 50c. less each way, and a substantial increase in traffic seems assured to the company with the inauguration of the new service.

Substantial progress has been made in improvement of the entire property. A new power-house with sub-stations and transmission lines, costing more than \$1,250,000, was erected at Allentown. This is equipped with modern steam turbines with a maximum capacity of 18,325 k. w. The travel on the company's lines is good at all times of the year, and new business is developing rapidly. The company owns 182 cars.

The ample power equipment, which was increased more than 50% in 1911, has placed it in position to develop the lighting and power business on a more extensive scale. New light and power companies were organized last year for Washington, Whitehall, North Whitehall, South Whitehall, Hanover and Salisbury townships, and current will be supplied to numerous localities and to companies already operating. Within the past few months the company has organized subsidiaries and obtained franchises for the towns of Richlandtown and Trumbauersville, and has purchased all the outstanding stock of a competing electric company of South Bethlehem. The Lehigh Valley Transit Co. has now no electric-lighting competition in any of the localities served by its light and railway subsidiary companies.

A contract has just been let and work started on a new reinforced concrete toll-bridge connecting two wards in Allentown and within a short distance of the main street. This bridge is being erected by the Allentown Bridge Co., all of the capital stock of which is owned by the Lehigh Valley Transit Co. It is anticipated that the tolls alone will more than pay the interest on the cost and the maintenance of the bridge. The Transit Co. has the exclusive and perpetual right to operate its cars over this bridge, which will not only open up a large new territory to local lines, but materially cut the running time of the new Allentown-Philadelphia service.

Earnings for 12 Mos. ending June 30 1912 and Fiscal Years ended Nov. 30.

	1911-12.	1910-11.	1909-10.	1908-09.	1907-08.
Passenger receipts.....	\$1,209,916	\$1,141,138	\$1,042,969	\$956,888	\$910,574
Net from ry. oper.....	\$579,959	\$548,680	\$480,625	408,717	\$349,334
Misc. & sale of power.....	213,572	190,343	159,851	114,574	125,399
Net income.....	\$793,531	\$739,023	\$640,476	\$523,291	\$474,733
Int., rents, taxes, &c.....	481,618	454,584	437,133	421,603	420,784
Balance, surplus.....	\$311,913	\$284,439	\$203,343	\$101,689	\$53,949
Other income.....	13,232	10,237	6,857	—	2,653
Total surplus.....	\$325,145	\$294,676	\$210,200	\$101,689	\$56,602

[Earnings for 1911-12 inserted from bankers' circular.—Ed.]—V. 95, p. 47.

Little Miami RR.—New Bond Issue.—The shareholders will vote Sept. 30 on authorizing a "general mortgage" of \$10,000,000 bearing interest not to exceed 4%, with a first lien, it is understood, on the entire property, to be issuable: (a) \$1,070,000, dated Nov. 2 1912, payable Nov. 2 1962, to bear interest at 4% per annum, and to be issued to take up a like amount of 5% bonds maturing Nov. 2 1912 (the only underlying bonds—Ed.); (b) the balance to be issued by the board of directors from time to time to pay for betterments when approved.—V. 86, p. 857.

Marshalltown Light, Power & Ry.—Merger.—See Iowa Railway & Light Co. above.

Massachusetts Electric Companies.—Earnings of Op. Cos.

Year—	Gross Earnings	Net Earnings	Fixed Charges	Dividends Paid	Balance Surplus
1911-12.....	\$9,116,202	\$3,309,792	\$1,840,329	\$1,077,681	\$391,782
1910-11.....	8,881,521	3,324,217	1,838,579	1,169,090	316,548

—V. 95, p. 618.

Minneapolis St. Paul & Sault Ste. Marie Ry.—Report.—See "Annual Reports" on a preceding page of this issue.

Equipment Gold Notes 4 1/2s.—Wm. A. Read & Co., New York, Boston, Chicago and London, have placed privately an issue of the railway's \$1,020,000 4 1/2% \$1,000 equip. gold notes, series D, dated June 1 1912 and due \$51,000 semi-ann. from Dec. 1 1912 to June 1 1922, both incl. Interest J. & D. at agency of Bank of Montreal in N. Y. City.

These notes are issued under an agreement of conditional sale between Wm. A. Read & Co., as vendors, the railway and Central Trust Co. (as trustees) to pay a part of the purchase price (\$1,278,703, of which \$258,703 is paid in cash) of the following new equipment delivered, or to be delivered, before Sept. 30 1912, viz.: Six coaches, 400 steel underframe cars, 350 steel underframe box cars, 100 refrigerator cars, 200 vegetable cars, 5 superheater consolidation freight locomotives and 4 switching locomotives.—V. 95, p. 544.

Nevada-California-Oregon Ry.—New Director.—P. R. Dunbar has been elected a director to succeed A. H. Manning, who declined to accept a re-nomination.—V. 93, p. 726.

New Orleans & Northeastern RR.—Dividend Reduced.—An annual dividend of 5% was paid on Sept. 4 on the \$6,000,000 stock, comparing with 6 1/2% in Sept. 1911 and 1910.

Dividend Record (Per Cent.)

1903	1904	1905	1906	1907	1908	1909	1910	1911	1912
3	3	3 1/2	5	6	4	5	6 1/2	6 1/2	5

—V. 95, p. 1188.

Pacific Electric Ry. Co. of Los Angeles.—Bonds.—This company, controlled by the Southern Pacific Co. (which owns some \$73,950,000 of the \$74,000,000 of outstanding stock), applied on Sept. 11 to the Cal. State RR. Comm. for permission to sell from time to time, as occasion may arise, \$79,161,000 of the issue of \$100,000,000 first refunding bonds authorized last November (V. 93, p. 1463, 872). Of said loan, \$20,839,000, it is stated, has already been issued, and the remaining \$79,161,000 it is desired to use, when required: To refund outstanding obligations of the subsidiary lines (a) \$5,285,000 to refund obligations of the Los Angeles Interurban and the Los Angeles & Redondo Ry. companies; (b) \$26,226,000 to refund all other outstanding obligations.....\$31,511,000
 To be used for new connections, impts., extensions, &c.....47,650,000

St. Joseph & Grand Island Ry.—New Cut-Off.—See Union Pacific RR. below.—V. 95, p. 619, 420.

St. Louis & San Francisco RR.—Two-Year 6% Secured Gold Notes Offered.—William Salomon & Co., New York, and G. H. Walker & Co. of St. Louis have purchased and are offering at 100% and int. the total issue of \$2,600,000

two-year 6% secured gold notes, a direct obligation of the company, dated Sept. 3 1912 and due Sept. 1 1914, but redeemable, all or any part, at 101 and int. at any time on sixty days' notice. Par \$1,000 (c*). Int. M. & S. Trustee, Equitable Trust Co. of N. Y.

Condensed Data from Letter of V.-Pres. C. W. Hillard dated Sept. 18 1912.
The notes will be the direct obligations of the company, secured by pledge of the following securities:

\$3,609,046 New Orleans Texas & Mexico RR. Co. 6% notes, due Sept. 1 1914, covering cash advances to that company.

2,000,000 full-paid capital stock, being the entire outstanding stock of that company.

1,400,000 Kirby Lumber Co. 7% cumulative preferred stock.

Also to be pledged when \$1,500,000 of the notes are issued and, in respect of the bonds, when authorized by the Texas RR. Commission:

\$600,000 (approximately) San Benito & Rio Grande Valley Ry. Co. 1st mtge. 6% bonds, being the entire amount issuable on present mileage.

49,100 par value, full-paid capital stock of the San Benito & Rio Grande Valley Ry. Co., being the entire amount issued except directors' shares.

There must also be pledged as further security: (a) All additional stocks of the New Orleans Texas & Mexico RR. Co. and San Benito & Rio Grande Valley Ry. Co. as issued, and (b) all additional indebtedness of the New Orleans Texas & Mexico RR. Co., except its first mtge. bonds and excepting indebtedness against which its first mtge. bonds will be issued.

The collateral for these notes will represent control of 1,033 miles of railroad, practically all main line, being: (1) New Orleans Texas & Mexico RR., subject only to its 1st M. bonds (now outstanding to amount of \$34,180 per mile), 806 miles; (2) trackage rights aggregating 184 miles, and (3) San Benito & Rio Grande Valley Ry. (upon pledge of its securities as aforesaid), 43 miles. Items 1 and 2 comprise the N. O. Tex. & Mex. Div., 990 miles, extending from New Orleans via Houston to Brownsville, Tex., with maximum grade of only 3-10%. It serves the Gulf Coast country, which yields a heavy traffic in fruits, garden truck, cotton, sugar, rice and lumber. The alluvial soil and favorable climate assure the continued development of practically the entire territory, of which less than 20% of the available area is under cultivation.

N. O. Tex. & Mex. Div. Earnings, Showing Increase of Traffic.

Gross per Mile—Years Ending—		Ann. Rate	
Dec. '09.	J'ne '10.	Dec. '10.	J'ne '11.
\$3,135	\$3,485	\$3,834	\$3,929
The increase of 36% in the earnings here shown in the last two years is expected to continue until this division is earning \$7,000 to \$8,000 per mile gross, as are other railroads in similar territory. Gross earnings per mile in July 1912 were 31% in excess of those in July 1911. Gross earnings of about \$5,000 per mile per annum (which rate was substantially maintained in the six months ended June 30 1912) should be sufficient under normal operating conditions to take care of interest on the entire mortgage indebtedness of the division.			

The San Benito & Rio Grande Valley Ry., 43.6 miles, extending north and south of San Benito, Tex., is completed and in operation. About 22 miles are now under construction north and south of Mission, Tex., and it is proposed to build an extension to connect these two lines. This property is situated in the richest part of the Rio Grande Valley and is necessary to take care of its agricultural development.

The Kirby Lumber Co. is one of the largest producers of long leaf yellow pine lumber in the world. No dividends have been paid on this stock since 1902, the profits being kept in the business, so that the official statements now show a book value for the preferred stock of about \$157 per share, which is considered conservative.

The San Benito & Rio Grande Valley bonds may be withdrawn from the trustee upon payment of \$950 for each \$1,000 bond and the Kirby Lumber Co. pref. stock on payment of \$75 per share, \$100 par value, all moneys thus deposited to be applied to the purchase or redemption of these notes at not over 101 and int.

The St. Louis & San Francisco RR. Co. as of June 30 1912 had current assets in excess of current liabilities and the proceeds of these notes are expected to be sufficient to supply its financial requirements (except for purchase of equipment) until July 1 1913.—V. 95, p. 680.

Listed in Paris.—There were admitted to quotation "en banque" in Paris on Aug. 23 \$3,000,000 5% general lien bonds of the French series, par \$100, or 516 francs, Nos. 64,001 to 67,000, letters A to J.—V. 95, p. 680, 420.

Santa Fe Raton & Eastern RR.—Successor Company.

See New Mexico-Colorado Coal Mining Co. under "Industrials" below.—V. 92, p. 1437.

Sapulpa (Okla.) & Interurban Ry.—Receiver Appointed.

—A receiver has been appointed as the result of the failure of the Merchants & Planters' Bank.

The company operates from Sapulpa to Klefer and Glenn Pool, 10.86 miles. Incorporated in Oklahoma July 1907, the road being opened in March 1908. Stock authorized, \$2,000,000; outstanding, \$80,500; par, \$25. No bonds. Pres., R. B. Burnett; V.-Pres., J. P. Soliss; Treas., B. C. Burnett; Sec., Virgil Hicks.

Seaboard Air Line Ry.—New President.—W. J. Harahan,

who recently resigned as Vice-President of the Erie RR. to become President of the Seaboard, will, it is understood, be formally elected to his new position at a meeting of the directors to be held in New York next Thursday. Mr. Harahan will assume his new duties on Oct. 1.—V. 95, p. 545, 361.

Seattle Renton & Southern Ry.—Co-Receiver.

The State Court recently appointed Joseph Parkin co-receiver to act with Scott Calhoun, who was named some months ago, but has been in possession only since the removal of the receivers appointed by the Federal Court. Mr. Parkin is an engineer and was the company's first superintendent, and he will be responsible to the Court for the operation of the road and its physical condition.

Foreclosure Suit Begun under Mortgage of 1908.

Augustus H. Peabody, as trustee under the mortgage of 1908, on Sept. 9 brought suit in the Superior Court to foreclose the mortgage. There are \$825,000 bonds outstanding, on which interest was defaulted on May 1 last.—V. 95, p. 545, 49.

South Carolina Light, Power & Ry.—Incorporated.

This company was incorporated in Mass. on June 21 with \$5,000,000 of auth. capital stock in \$100 shares (\$3,500,000 common and \$1,500,000 pref.), to take over the property of the Spartanburg (S. C.) Ry., Gas & Elec. Co., recently purchased by A. B. Leach & Co., and Ussing, Seoville & Co. (see Electric Power & Manufacturing Co. V. 94, p. 1452, and also presumably other properties. Officers at incorporation: Pres., Herbert A. Wadleigh of Winchester; V.-Pres., Daniel W. Merritt of Boston; Sec. & Treas., Wilbur Tusch of New York. The Spartanburg Ry., Gas & El. Co. at last accounts had outstanding \$400,000 stock and \$330,000 of an issue of \$400,000 5% bonds.

Union Pacific RR.—To Build Cut-Off.

The cut-off from Hastings, Neb., to Gibbon, 26 miles, shortening the distance between Denver, Colo., and St. Joseph, Mo. (see St. Joseph & Grand Island Ry. Item, V. 95, p. 619), is, we are informed officially, being constructed by the Union Pacific. The contractors are just moving on to the work, and the company does not care fully at this time to make public its plans.—V. 95, p. 481, 357.

United Light & Railways.—Probable Purchase.

See Western Utilities Co. below under "Industrials".—V. 95, p. 49, 421.

United Railroads of San Francisco.—Year to End June 30.

The fiscal year has been changed so as to end June 30.

Equipment Notes.—The \$300,000 6% equipment trust notes authorized by the Cal. RR. Comm. on Sept. 7 were all sold by E. H. Rollins & Sons a month ago.

Issued in connection with the purchase of 65 pay-enter cars, to cost not less than \$365,000. Dated May 1 1912, due \$30,000 each year May 1 1913 to 1922. Par \$1,000. Principal and interest (M. & N.) payable at Union Trust Co. of San Fr. (the trustee) and at office of E. H. Rollins & Sons, N. Y. Redeemable at 102 1/2 and int. on any int. date after 60 days' notice.—V. 94, p. 632.

Virginia Ry. & Pow. Co.—Earnings Combined Properties.

Year	Gross Earnings	Net Earnings	Other Income	Interest, Taxes, &c.	Depreciation	Balance, Surplus
1911-12	\$4,558,194	\$2,235,290	\$69,159	\$1,423,202	\$100,000	\$781,247
1910-11	4,336,206	2,069,530	46,296	1,396,943	75,000	643,883

There were carried during the year 1911-12 60,500,584 fare passengers, 926,730 free passengers and 15,906,711 transfers (against 57,821,444, 1,079,109 and 15,922,825, respectively, in 1910-11), making a total of 77,334,025, against 74,823,378 in 1910-11.—V. 95, p. 112.

Washington Baltimore & Annapolis Electric Ry.—First Dividend.

—An initial dividend of 1 1/2% has been declared on the \$1,460,000 6% non-cum. pref. stock, payable Oct. 1 to holders of record Sept. 24.—V. 94, p. 1051.

West Side Belt RR.—Decree Modified.

Judge Orr in the U. S. District Court at Pittsburgh on Sept. 16 entered a decree modifying that heretofore granted for a sale of the property under the judgment secured by the Pittsburgh Construction Co. The upset price is reduced from \$1,500,000 to \$1,250,000. Compare V. 95, p. 421.

Wisconsin & Michigan Ry.—Denial.

Secretary John Marsch denies the truth of the recent rumor that the road has been sold to the Minneapolis St. Paul & Sault Ste. Marie Ry., and that the formal transfer will take place in a few weeks.—V. 94, p. 418.

Wrightsville & Tennille RR.—Earnings.

Year	Operating Revenues	Net (after Taxes)	Other Income	Fixed Charges	Dividends (6%)	Balance, Surplus
1911-12	\$348,992	\$76,296	\$2,784	\$25,615	\$36,000	\$17,465
1910-11	327,112	87,198	1,584	21,275	36,000	31,507

—V. 93, p. 941.

INDUSTRIAL, GAS AND MISCELLANEOUS.

Acme White Lead & Color Works, Detroit.—Acquisition.

—The increase last December in the 6% pref. stock from \$750,000 to \$2,000,000, it appears, was made for the purpose of obtaining control of the Lincoln Paint & Color Co. of Dallas, Texas, and the H. R. Tibbets Paint Co. of Los Angeles and San Diego, Cal.

The pref. stock is callable after 1912 at 110. Common stock, \$2,000,000. Dividend rate of recent years 10% p. a.—V. 93, p. 1727.

Allis-Chalmers Co., New York.—Assessment Called.

—The reorganization committee has called for a payment of \$4 per share on pref. stock and \$2 per share on com. stock, deposited under the plan and agreement of reorganization, such payment to be made to the Central Trust Co. of N. Y., Depository, 54 Wall St., N. Y. City., on Oct. 16 1912.

The total assessment called for by the plan (V. 94, p. 913) is on the pref. stock \$20 per share, or 20%, and on the common \$10 per share, or 10%. At the time of the deposit the shareholder was required to pay, of these amounts, \$2 per share on the pref. and \$1 on the common, making, with the installments now called, a total of \$6 on the pref. and \$3 on the common paid and called, and leaving yet to be called \$14 per share on the pref. and \$7 per share on the common.—V. 95, p. 50.

Albert Lea (Minn.) Light & Power Co.—See Minnesota

Gas & Electric Co. in V. 95, p. 683.—V. 80, p. 713.

American Milling Co., Chicago.—Temporary Injunction.

The Federal Court (Eastern District of Virginia) on July 13 decided that the State Dairy and Food Commissioner had exceeded the State's jurisdiction in declaring that certain of the company's products constituted stock feed of "little or no food value," while the testimony of well-informed persons was to the contrary. An interlocutory injunction was issued pending further order of the Court enjoining the State authorities from treating the certificates of registration granted Jan. 2 1912 under the statute of March 4 1910 ("An Act to prevent the manufacture or sale of adulterated, misbranded, poisonous or deleterious stock and cattle feeds," &c.) as canceled, revoked or suspended, and from doing any act or taking any step based on the claim that the commercial foods of the company are not duly and legally registered in the State of Virginia for 1912.—V. 94, p. 1628.

Atlas Engine Works, Indianapolis.—Sale Postponed.

The receiver's sale has been adjourned from July 29 to Aug. 12 on the statement of M. L. Thomson, an attorney (who is also attorney for the Baldwin Locomotive Works of Phila., a heavy creditor), that he represents interests which will be ready to submit a bid at that time at a higher figure than that offered by Detroit interests. Mr. Thomson says that a number of men whose identity is not disclosed are organizing a company to bid on the plant.

Under the terms of sale, the purchaser must assume a bond issue of \$1,050,000 secured by mortgage, pay off another bond issue of \$105,000, and also pay receivership costs and mercantile accounts, about \$80,000.

Receiver Gardner has completed an inventory and appraisal of the plant. Cash on hand, accounts, &c., \$234,905; buildings, \$518,057; grounds, \$117,600; machinery, \$351,845 and sprinkling and water system, \$50,000.—V. 95, p. 237, 113.

Bishop-Babcock-Becker Co.—Pref. Dividend Omitted.

This Cleveland company, manufacturers of beer pumps, &c., has decided to conserve its resources by deferring the next quarterly dividend of 1 1/4% on its cum. pref. stock. V.-Pres. J. H. Champ has succeeded as President K. D. Bishop, who resigned. Compare V. 95, p. 113; V. 92, p. 958.

Blackstone Valley Gas & Elec. Co.—Plan Approved.

The stockholders of the Pawtucket Electric Co., Woonsocket Electric Machine & Power Co. and Woonsocket Gas Co. on Sept. 16 approved the plan of merger with the Blackstone company. Compare V. 95, p. 620, 547, 483.

Bush Terminal Co., Brooklyn.—City-Owned System.

The committee of the Board of Estimate, composed of John Purroy Mitchell, President of the Board of Aldermen, Borough President McAneny, Comptroller Prendergast and Borough President Steers of Brooklyn, on Sept. 19 reported favorably on the proposal to build a great municipal waterfront terminal in South Brooklyn which would include the Bush docks. The committee recommends that the city acquire a tract in South Brooklyn to be used for the purpose and that the Bush Company be the operating contractors, in a manner similar to that under which the Interborough and the Brooklyn Rapid Transit companies will operate the city's subway system. The cost of the proposed system will, it is stated, be about \$30,000,000.

Dock Commissioner Tomkins submitted a plan for such a terminal and improvements along the South Brooklyn waterfront. The Board of Estimate set Oct. 3 as the date for action on both the committee's report and the Commissioner's recommendations. The committee recommends that in the event of the negotiation of a satisfactory contract, the Bush piers and marginal strip be acquired by the city by condemnation.

The offer of President Irving T. Bush is that the Bush company pay the city 95% of the gross income received from the city-owned piers and retain 5% as its compensation as general manager of the property. The company to covenant in any year that if the 95% of gross receipts shall be less than interest and sinking fund on the city bonds (5.14%), to make good and pay to the city the difference between 95% of gross income and the amount of such interest and sinking fund.

The city is to have the right at any time to withdraw from the operation of the lease any of the piers so leased and utilize the same as a public pier and through the Dock Department and the Board of Estimate to have the

right from time to time to establish the policy and terms under which the piers affected by the proposed lease shall be rented to and utilized by the commerce of the port.—V. 95, p. 546.

California Consolidated Light & Power Co., San Francisco.—*New Enterprise.*—This company was incorporated in Cal. July 9 1911 with \$5,000,000 auth. capital stock in \$100 shares, the incorporators being C. S. Goodrich, J. T. Pigott, T. E. Palmer, Grover O'Connor and G. R. Ray, and made a mortgage to the Mercantile Tr. Co. of San Fr., as trustee, to secure an issue of \$5,000,000 30-year 5% bonds. See Northern Electric Ry. in V. 94, p. 279.

Cambria Steel Co.—*President Resigns Because of Illness.*—Charles S. Price on Sept. 19 tendered his resignation as President on account of prolonged illness. The official staff will probably be increased by the addition of several operating Vice-Presidents as a result of the resignation.—V. 95, p. 421.

Canadian Car & Foundry Co.—*Bonds.*—The Royal Securities Corp. and Lee, Higginson & Co. have purchased an additional \$500,000 1st M. 6s of 1909, due 1939 (V. 90, p. 374).—Compare V. 93, p. 1531, 1326.

Carbon Steel Co., Pittsburgh.—*Stock Reduction—Bonds.*—The shareholders will vote Sept. 24 on reducing the auth. capital stock from 50,000 shares of \$100 each (of which 30,000 are com., 5,000 1st pref. and 15,000 2d pref.) to 15,000 shares of \$100 each, all of uniform or common stock, so that the authorized capital shall hereafter be \$1,500,000. Instead of \$5,000,000, and to increase the indebtedness from \$700,000 to \$2,000,000, secured by bonds and mortgages on the property of the company. Compare V. 91, p. 155; V. 93, p. 1193; V. 94, p. 126.

Carver County Sugar Co.—*Successor.*—See Minnesota Sugar Co. below.—V. 93, p. 1604.

Central Mexico Light & Power Co.—*Earnings.*—This subsidiary of the Guanajuato P. & El. Co. (which see below, shows:

Earnings for the Twelve Months ending June 30.			
	1911-12.	1910-11.	
Gross earnings	\$428,070	\$339,636	
Oper. exp. and tax	257,713	207,257	
Net earnings	170,357	132,379	
Other income	23,668	21,614	

Total net inc. \$194,025 \$153,993

	Miles Transm'n Line.	Customers.	Total Con'd Load K..W
March 1911	327	3,968	4,931
March 1912	449	5,158	6,008

There are outstanding: \$1,500,000 common stock, all owned by the Guanajuato Power & El. Co.; \$900,000 6% pref. stock (cum. from Jan. 1913 \$1,250,000 auth.); \$1,800,000 1st M. gold sinking funds 6s, dated 1910 and due Jan. 1 1940, but callable at 105 (\$2,500,000 auth.). V. 90, p. 239, 701. The bonds and pref. stock are offered at the market prices by William P. Bonbright & Co., the bonds on about a 6½% basis.—V. 92, p. 121.

Chesapeake Steamship Co., Baltimore.—*1st M. 5s Offered.*—The Mercantile Trust & Deposit Co., Baltimore, has purchased and, it is understood, is offering privately at par and int., \$630,000 "equipment (trust) first mtge. 5% bonds," issued in connection with the purchase of two new steamers. The bankers say in substance:

Dated Oct. 1 1912, maturing in 21 semi-annual series of \$30,000 each, Apr. 1 1914 to Apr. 1 1924, incl., but redeemable as a whole at any int. period on 60 days' notice at 102½ and int. Trustee, Merc. Tr. & Dep. Co. Int. A. & O. A direct obligation under equipment trust agreement to provide in part for the purchase of two new steamers of 600 tons freight and 400 passenger capacity, to be built by Maryland Steel Co. at a contract price of \$785,400; furniture, carpets, etc., will cost about \$50,000 additional. Further secured by equity of \$456,000 in steamers City of Baltimore and City of Norfolk and by agreement not to mortgage Baltimore terminal property during life of present issue. [The last-named steamers cost about \$840,000 a little over a year ago; equipment bonds of May 1 1910, \$480,000 (\$120,000 of the original \$600,000 redeemed), less \$96,000 cash in sinking fund; net, \$384,000; balance, \$456,000.]

Company is controlled by Atlantic Coast Line RR. and Southern Ry. through ownership of the entire capital stock and debentures, valued at over \$1,250,000. Operates lines of steamers from Baltimore to Norfolk and to Richmond. Earnings at present, without the two new steamers, exceed the interest charges and principal maturities on both issues of equipment bonds, which constitute the only mortgage. See also V. 90, p. 1335.

Cleveland-Akron Bag Co.—*Stock Dividend, &c.*—The stock was listed on the Cleveland Stock Exchange on Sept. 5. "Cleveland Leader" says:

Cleveland-Akron Bag has a common stock issue of \$1,500,000 and \$500,000 preferred. A stock dividend of 33 1-3% or, \$500,000, was recently declared and shareholders will have the right to subscribe for \$500,000 more at par to retire the preferred. This will make the issue \$2,500,000, all of one class. Rights accrue as of Dec. 21 and the new issue and conversion will be completed as of Jan. 1 1913. The common was bid at 130 and offered at 140. The surplus as of Jan. 1 1912 was \$1,244,101. Floating debt was represented by \$493,878, of which \$400,000 was in drafts on foreign banks. J. H. McBride is President; G. D. Adams, Vice-President; H. H. Campbell, Treas., and G. E. Kappeler, Secy. These, with H. H. Gillis, F. E. Hall and Malcolm McBride, compose the board.—V. 95, p. 51.

Colorado Fuel & Iron Co., Denver, Colo.—*Earnings.*—

June 30.	Gross Earnings.	Net Earnings.	Other Income.	Fixed Charges, &c.	Balance, Surplus.
1911-12	\$24,208,452	\$3,772,281	\$676,693	\$2,647,746	\$1,801,228
1910-11	22,934,685	3,478,349	671,599	2,890,276	1,259,672

The yearly dividend of 5% on the \$2,000,000 pref. stock which has been declared payable out of the earnings of the fiscal year in two instalments of 2½% each on July 20 1912 and Jan. 20 1913 calls for \$100,000.—V. 94, p. 1698.

Extension of Charter.—The stockholders will vote at a special meeting to be held on Oct. 19 on a proposition to extend the corporate life of the company, which expires on Oct. 21, for a period of 20 years. At the regular annual meeting on Oct. 21, it is rumored that the question of readjusting the capital and discharging the 70% accumulated dividends on the pref. stock will be considered. Compare V. 93, p. 1728.

Columbia Gas & Electric Co.—*Increased Stock of Subsidiary.*—The Union Gas & Electric Co. of Cincinnati has applied to the Ohio P. S. Commission for authority to issue \$500,000 preferred stock in addition to the \$5,000,000 now outstanding.

The Union Gas & Electric Co., as lessee for the Cincinnati Gas & Electric Co., under the terms of its lease is required to turn over to the lessor securities worth at least \$3,000,000, to guarantee its lease. At the time of the making of the lease there were turned over \$3,333,000 of bonds of the Columbia Gas & Electric Co., which, it is stated, have depreciated in value so that they are no longer worth \$3,000,000. The Union company asks permission to exchange the new stock for bonds of the Columbia Gas & Electric Co. and deposit the bonds with the Cincinnati Gas & Electric Co.—V. 95, p. 422, 178.

Continental Telephone & Telegraph Co. of N. J.—*Sale.*—See Keystone Telep. Co., V. 94, p. 770.—V. 94, p. 281, 126.

Costilla Estates Development Co.—*Guaranteed Bonds.*—See San Luis Power & Water Co. V. 94, p. 1702.—V. 90, p. 629.

Cote Piano Manufacturing Co., Fall River.—*First Pref. Dividend.*—An initial quarterly dividend of 1¼% has been declared, payable Oct. 1 1912 on stock of record Sept. 19 1912 on the \$250,000 7% cum. pref. stock. The Exchange Trust Co. of Boston is transfer agent.

Cumberland Telephone & Telegraph Co.—*Control.*—See Southern Bell Tel. & Tel. Co. on page 684 in last week's "Chronicle."

Decision.—The decision of the U. S. Supreme Court in the suit over the rates for service in the city of Louisville, which was referred to in last week's item (p. 681), was handed down on June 7 last and mentioned in the "Chronicle" of June 15 (V. 94, p. 1629).—V. 95, p. 681.

John R. Davis Lumber Co., Phillips, Wis.—*All Retired.*—Farson, Son & Co. announce the retirement of the entire issue of \$600,000 1st M. 6s at 100 and accrued int. Funds are now on deposit at Chicago Title & Trust Co., Chicago.—V. 92, p. 61; V. 88, p. 1004.

Evansville (Ind.) Light Co.—*Consolidation.*—See Public Utilities Co. of Evansville, V. 94, p. 1627.—V. 89, p. 228.

Faultless Rubber Co., Ashland, O.—*Stock Dividend 60%.*—The authorized capital stock was recently increased from \$325,000 to \$1,000,000 (par \$100), of which \$525,000 is now outstanding, the stockholders having, it is understood, received a stock dividend of 60%. No bonds. Incorporated in Ohio Dec. 23 1903. Pres., and Treas., T. N. Miller; Sec., I. L. Miller.

General Baking Co.—*Preferred Dividends.*—The third regular dividend of 1¼% has been declared on the \$5,185,000 7% cumulative preferred stock, payable Oct. 1 to holders of record Sept. 21.—V. 94, p. 211.

General Electric Co.—*Debenture Sale.*—The company has sold to J. P. Morgan & Co. \$10,000,000 of the 5% debenture issue authorized in July last for \$60,000,000—see "Chronicle," July 27, p. 238. The debentures will be dated Sept. 2 and mature Sept. 1 1952, interest payable March and Sept. Bankers Trust Co., trustee. They are not convertible but are redeemable at 107½ and int. on (and after) any interest date.—V. 95, p. 621, 422.

(The) Guanajuato Power & Electric Co. (Mexico).—*Status.*—William P. Bonbright & Co., N. Y., Phila., Boston and London, who offer the securities at the market price (bonds yielding about 6.40% and pref. shares about 8%), report:

Organized in 1902 in Colorado to operate a hydro-electric plant on the Duero River, near Zamora, State of Michoacan, Mex. Controls through stock ownership the Michoacan Power Co., which has two plants on the Angulo River, and the Central Mexico Light & Power Co., which owns the local transmission systems. (See last named co. above).

Capitalization.—

	Authorized.	Outstanding.
Pref. stock 6% cum., par \$100, divs. Q-F (V. 91, p. 217)	\$1,500,000	\$1,500,000
Common stock, par \$100	3,500,000	3,500,000
1st M. gold sinking fund 6s (V. 83, p. 40)	1,500,000	1,425,000
Michoacan Power Co. 1st M. gold 6s (V. 85, p. 796)	2,000,000	1,800,000

Earnings for Years ending June 30.

Year ending June 30.	Gross Earnings.	Expenses & Maint.	Net Earnings.	Bd. Int. & Depr'n Res.	Pf. Div. (6%).	Balance, Surplus.
1911-12	\$374,208	\$205,205	\$469,003	\$208,869	\$90,000	\$170,134
1910-11	555,967	137,083	428,884	161,715	90,000	177,169

The demand for power has grown so rapidly that the company has had to devote its energies and resources chiefly to the development of additional power and extension of its transmission lines in order to provide for its increasing business.

Power connected—h.p. 1907, 9,180; 1908, 9,431; 1909, 10,080; 1910, 14,332; 1911, 18,298
Power delivered—k.w. 2,233,000; 2,573,000; 2,836,000; 3,515,000; 4,095,000
See also V. 90, p. 1169; V. 91, p. 217; V. 92, p. 1568, 122.

Hawaiian Commercial & Sugar Co.—*Merger.*—See Makaweli Sugar Co. below.—V. 92, p. 1113.

Heywood Bros. & Wakefield Co.—*Changes in Officers.*—Charles H. Lang Jr., formerly Treas., was some time ago elected President to succeed Louis E. Carlton, deceased; Fred L. Butler became Treas., and Charles A. Stone of Stone & Webster, succeeded Mr. Carlton as a director.—V. 82, p. 1215.

(The) International Nickel Co., New York.—*Dividends Begun.*—2% on Common Stock.—This new company (formed per plan in V. 95, p. 239, 682) has declared "a dividend" of 2% on its \$38,031,565 common stock, payable Dec. 2 to holders of record Nov. 13; also a quarterly dividend of 1½% on its \$8,912,626 6% non-cum. pref. stock, payable Nov. 1 to holders of record Oct. 14.

These are the first dividend payments since the exchange of the old International common stock for 250% in the common stock of the new company, the exchange of the old pref. for new pref., \$ for \$, and the issue of \$43¼% new common at par for cash. The old company paid on its common stock: In 1909, 2½%; 1910, 6%; 1911, 10½%; 1912, to and incl. Sept. 3, 17½%. Compare V. 95, p. 240.—(V. 95, p. 682.)

Iola (Kan.) Portland Cement Co.—*Mortgage.*—The company in December last made a \$2,000,000 mortgage to the Commonwealth Trust Co. of St. Louis, as trustee, the proceeds to be "applied for such purposes as the board of directors may determine."

The mortgage covers the property of the Iola company, including the factory in Bassett, a suburb of Iola; the company's dam, quarry, gas leases and wells, pipe lines, water station, town lots, unplatted portion of the town of Bassett, and several tracts of gypsum lands in Oklahoma, and is further secured by deposit of \$1,354,000 bonds of the Texas Portland Cement Co. of Dallas, Tex. The Texas plant was built from surplus earnings of the Iola company and when the Texas company took over the mills it issued bonds to the Iola company.

Iowa City (Ia.) Gas & Electric Co.—*Sold—New Company.*—See Western Utilities Co. below and compare V. 89, p. 1599, 46.

Iowa City (Ia.) Lt. & Power Co.—*Successor Co.—Control.*—See Western Utilities Co. below and compare V. 89, p. 1599, 46.

Kansas City Railway & Light Co.—*Majority of 5-Year Notes Deposited.*—A large majority of the 6% 5-yr. collateral gold notes, maturing Sept. 1 1912, have been deposited under the agreement of deposit dated Aug. 15 1912, and the committee for the present will permit further deposits to be made as stated in advertisement on another page. Compare V. 95, p. 618, 680.

Lake Superior Corporation, Toronto.—*Annual Report.*—See "Annual Reports" on a preceding page.

Full 5% on Income Bonds.—A dividend of 5% for the year ending June 30 1912 has been declared on the \$3,000,000 non-cum. 5% income bonds, payable Oct. 1 at the First National

Bank, Phila. The only previous distributions were 2½% each in Oct. 1910 and 1911 and 5% Oct. 1906.—V. 95, p. 114.

Lehigh & Wilkes-Barre Coal Co.—Earnings.—

Year	Total Receipts	Net Earnings	Sk. P. & C.	Interest	Dividends	Balance, Surplus
1911-12	\$18,742,623	\$3,760,561	\$1,274,390	\$1,197,625	\$1,288,346	
1910-11	16,879,575	3,473,582	1,291,583	1,197,625	984,174	

—V. 93, p. 1459.

Long Beach (Cal.) Consolidated Gas Co.—Earnings.—

Sept. 30 Year—1910-11	1909-10	Sept. 30 Year—1910-11	1909-10
Gross earnings	\$165,759	Fixed charges	\$18,000
Net earnings	\$52,440	Balance, surplus	\$34,440

E. H. Rollins & Sons, San Francisco, who early in 1911 placed \$300,000 M. 6s of 1910 (auth. \$1,000,000), report these earnings, also the capitalization on Mch. 31 1912, as follows: Common stock, \$675,700; pref. stock, \$85,000; 1st M. 6% bonds, \$429,000. [On April 26 1912 the company was reported to have authorized the sale of \$250,000 additional bonds for extensions and enlargement of its gas-making capacity to enable it to supply San Pedro, Wilmington and the new industrial city at Dominguez. Ed.] Compare V. 91, p. 1774; V. 92, p. 960.

Makaweli Sugar Co., San Francisco.—Dissolution.—The stockholders of the company on Feb. 24 voted to dissolve the company, which was merely a holding company for the Hawaiian Commercial & Sugar Co.

Of the \$5,000,000 authorized stock (par \$50), \$3,788,250 was at last accounts outstanding. The authorized issue of Hawaiian Commercial & Sugar Co. stock is \$10,000,000 (par \$25), all outstanding Jan. 1 1911, of which \$2,312,755 has been paid up. The stockholders of the Makaweli company received share for share in stock of the Hawaiian company.—V. 91, p. 521.

Manning Maxwell & Moore, Inc.—Dividend Increased.—

A dividend of 1½% has been declared on the \$5,000,000 capital stock payable Sept. 30 to holders of record on that date, comparing with 1% in June last, that being the first distribution since Sept. 1911. Quarterly payments of 1½% were made from June 1905 to Sept. 1911, incl.—V. 93, p. 1671.

Marion (Ia.) Light, Heat & Power Co.—Merger.—

See Iowa Ry. & Light Co. under "Railroads" above.—V. 79, p. 273.

Mexican Northern Power Co.—Officers, Bonds, &c.—

D. E. Thompson, K.C., of Toronto was some time ago elected President to succeed G. F. Greenwood, and A. E. Ames of Toronto, Vice-President. Mr. Greenwood becomes a Vice-President and General Manager.

D. E. Thompson, K.C., Strachan Johnston, K.C., and A. E. Ames have been elected directors to represent the so-called Toronto group who secured a majority of the proxies at the annual meeting.

The retiring President reported that the work on the plant in Mexico is progressing favorably and that it will be completed within a year.

The bondholders on June 29 1911 authorized the issue of \$200,000 of the bonds in the denomination of \$100 each, such bonds to be exchanged for those outstanding in denominations of \$500 and \$1,000, and to give each bondholder one vote for each \$100, or its equivalent in English sterling money or French currency bonds held by him, instead of one vote for each \$500 of such bonds, and also voted to remove doubts as to the provisions respecting the sinking fund contained in the deed of trust, and authorized the execution of supplemental deed or deeds to give effect to the proposal. Compare V. 92, p. 1036.

Mobile (Ala.) Electric Co.—Annual Earnings.—

Year ending	Gross Earnings	Net (after Taxes)	Bond Interest	Other Interest	Pf. Dirs. (7%)	Balance, Surplus
1911-12	\$367,666	\$174,578	\$82,140	\$3,884	\$48,959	\$39,595
1910-11	331,702	157,936	78,538	5,849	38,478	35,071

—V. 93, p. 1605.

Mono Power Co., Bishop, Cal.—Bonds.—This company, incorporated in California in Dec. 1906 with \$3,000,000 auth. stock, in \$100 shares, to build a hydro-electric plant on the Owens River in the Sierra Nevada Mts., 15 miles north of Bishop, filed in January last a certificate of creation of bonded debt in the shape of \$2,500,000 30-year 6% bonds, dated, it is supposed, Dec. 15 1911 and redeemable at 105 and int. on and after Dec. 15 1916.

The company's transmission lines are projected to extend 150 miles to Silver Peak, Tonopah, Goldfield, Bullfrog and possibly Wonder, Nev. Plant with 12,500 h.p. turbine under construction. Directors: John J. Quinn (Pres.) and H. A. Mosher (Sec.), both of Oakland; Leon M. Hall, I. H. Clay, Fred L. Dreher.

Mountain States Telep. & Teleg. Co.—Indictment.—

A special grand jury in the State District Court on Sept. 10 returned an indictment against the company on the charge of operating in Denver without a license from the city, as required by the Act of 1907 in the case of public utility companies. The question of granting a franchise is, it is stated, under consideration by the City Council. The company's counsel claim that it does not need a franchise from the city, the constitution being clear, in stating that a telegraph company has the right to operate throughout the State with the consent of the people, and the city being compelled to grant a franchise to any telephone company which primarily is a telegraph company.—V. 94, p. 628.

Nevada (Mo.) Water, Lt. & Trac. Co.—Merger—Bonds.—

See Fort Scott & Nevada Lt., Ht., W. & Power Co. above.—V. 94, p. 698.

New Departure Mfg. Co., Bristol, Conn.—Stock Dividend.

The company recently distributed among the holders of the common shares gratis \$37,600 common stock, being a dividend of 4% or thereabout, and in this connection, in order to avoid fractions of shares, offers to buy or furnish additional fractional shares on the basis of \$150 per share. A. F. Rockwell is Pres.; F. P. Furlong, V.-P.; De Witt Page, Sec.; Chas. T. Treadway, Treas. See bal. sheet, &c., V. 94, p. 212, 283; V. 92, p. 885.

New Mexico-Colorado Coal & Mining Co.—Reorganized Co.

For record purposes, it should be noted that the company was incorporated in New Mexico on July 1 1911 as a reorganization and consolidation, per plan V. 92, p. 1441, of the Yankee Fuel Co., Santa Fe Raton & Eastern RR., Santa Fe Raton & Des Moines, Santa Fe Liberal & Englewood RR. and Raton Water-Works Co., &c., and has taken over practically all of the stocks and bonds of the allied companies named, which were organized by Shepard & Co. of this city.

New York (Bell) Telephone Co.—Bonds Offered.—Kidder, Peabody & Co., N. Y. and Boston, are offering, at a price to yield 4½%, by advertisement on another page, first and gen. mtge. 4½% gold sinking fund bonds of 1909, due Nov. 1 1939, but callable as entire series at 110 and int on 3 mos. notice. Par \$500 and \$1,000. Tax-free in N. Y. State. Annual sinking fund 1% per annum when bonds can be purchased at or under par. Total outstanding, \$74,000,000. A closed first mtge. (subject only to \$3,567,000 prior lien bonds) against assets reported as three times that amount and net earnings in 1909 of \$10,572,000; 1910, \$14,496,000; 1911, \$15,223,000. Compare V. 94, p. 1054, 1510, 1569; V. 95, p. 548.

Norfolk County (Va.) Water Co.—Bonds.—The company in 1911 filed a mortgage to the Columbia Avenue Trust Co. of Phila., as trustee, to secure an issue of \$2,000,000 5% 30-

year bonds, which provided for retiring \$650,000 existing bonds and for improvements and extensions. Joseph S. Keen of Phila. is President and H. Bayard Hodge of Phila. is Secretary. Compare V. 93, p. 51.

The new issue (dated Nov. 1 1911) is a general mtge., and sufficient bonds are in the hands of the trustee to retire all underlying bonds, the latter being still in the hands of the public and not subject to redemption before maturity. The new bonds can be called at any time after five years at any interest period at 102½, in any amounts.—V. 93, p. 51.

Peden Iron & Steel Co., Houston, Tex., Hardware Dealers.—Bonds Sold.—Peabody, Houghteling & Co., Chicago, have sold privately the entire present issue of \$375,000 1st M. 6% serial gold bonds dated Aug. 1 1912, recently offered by them at par and int. The bankers report:

Bonds.—Now issued, \$375,000; reserved for future issue, subject to approval of P. H. & Co., \$125,000; total authorized issue, \$500,000. The reserved bonds, if issued, will mature \$60,000 on Feb. 1 1924 and \$65,000 on Feb. 1 1925. The present issue falls due in annual installments on Feb. 1 from 1914 to 1923 successively, \$20,000, \$25,000, \$30,000, \$35,000(2), \$40,000(2), \$50,000(3), but redeemable in reverse of their numerical order on or after Feb. 1 1914 at 102½ and int. Par \$1,000 and \$500 (c*). Principal and semi-annual interest payable at the First Nat. Bank of Chicago and New York, Trustees, First Trust & Savings Bank, Chicago, and Augustus S. Peabody of Chicago.

First mortgage upon all property now or hereafter owned. Issued to build additional warehouses and office buildings in Houston and San Antonio. Security: land in centre of Houston and San Antonio, \$307,812; buildings on same, \$368,273; net working capital, \$711,584; total assets, \$1,387,669.

Average annual net profits for 5 fiscal years end. Dec. 31 1911—\$69,026 Net profit first 6 months of 1912, approximately—53,761

Properties.—(a) In Houston, 109,125 sq. ft. of land, with 2-story brick warehouse and office building containing about 1,000,000 cu. ft. of space; also, under construction, a three-story reinforced concrete office building containing 646,000 cu. ft. and a reinforced concrete warehouse building containing 1,300,000 cu. ft. of space. (b) In San Antonio has long occupied a building on land leased at nominal rental. Is now erecting on land purchased for \$35,000 a reinforced concrete warehouse and office building to cost \$50,000.

History.—Business established in 1890 by E. A. Peden and R. P. Smith. In 1902 incorporated with present name, capital \$200,000. Fully paid capital now \$1,000,000, chiefly from profits. The stockholders include some of the most responsible people in Houston. Company's financial standing is of the very highest. Has largest hardware business in the Southwest.

Annual Sales (Company Has Never Had an Unprofitable Year.)

1890.	1895.	1900.	1905.	1910.	1911.	(6 mos.) 1912.
\$10,743	\$192,636	\$500,242	\$1,245,370	\$1,908,088	\$2,045,321	\$1,120,583

The present year is expected to be the largest year in the company's history, both in sales and profits.—V. 92, p. 1037.

Pioneer Telephone & Telegraph Co.—Decision.—

The Oklahoma Supreme Court on Sept. 11, in a decision announced by Chief Justice Turner, held void the city ordinance authorizing the company to increase its rates on the basis of additional subscribers, the maximum rate to be charged to be dependent upon the total number of telephones within the city limits. The right of the corporation commission to establish rates for telephone companies is upheld. The Court says that power of an incorporated city or town to fix municipal telephone rates can only be derived from the Legislature by express grant or necessary implication.

As a result of the decision, the company will be obliged to return, it is stated, about \$64,000 to subscribers, the amount of the rebate under a contract by which the company put up a bond to cover the additional charges since the increase became operative in 1909.—V. 93, p. 467.

Republic Iron & Steel Co., Youngstown, O.—No Dividend in October.—No action has been taken by the executive committee regarding the resumption of dividends on the pref. stock, which were suspended following the distribution of the regular 1¾% in Jan. last. Chairm. Topping is quoted:

A majority of the board informally expressed themselves as being of the opinion that it would be wiser to defer action on the matter of resuming dividends to a later date, notwithstanding the fact that present earnings are in excess of dividend requirements. The policy of the board, so far as it is practical to do so, is to add substantially to the cash surplus, so as to fortify the company against any unexpected general disturbance to business.

It is thought in some quarters that if conditions continue favorable, the directors may in November next authorize a resumption in January next. Compare V. 95, p. 417, 622.

St. Croix Paper Co., Woodland, Me.—Bonds Offered.—

Kidder, Peabody & Co., Estabrook & Co. and Blodgett & Co., all of Boston and New York, are offering at prices ranging from par for the first maturity (1913), yielding 5%, to 95¼ and int. for the last maturities (1931 and 1932), yielding 5½% income, the unsold portion of the present issue of \$2,500,000 1st M. 5% serial gold bonds, dated Sept. 3 1912 and due yearly on Sept. 1 1913 to 1937 (first 5 installments, \$85,000, \$105,000, \$115,000, \$120,000, \$125,000; thereafter \$130,000 annually), but callable as a whole or in part after Sept. 1 1917 on a 4½% income basis. Interest M. & S. in Boston. Total auth., \$3,000,000. Trustee, Old Colony Trust Co., Boston. The bankers say:

A first mtge. on (1) a thoroughly modern property already representing an investment greatly in excess of the total (\$3,000,000) bonds authorized. (2) On well-located timber lands estimated to be worth at least \$5,470,000. (3) Power development (with all franchises, &c., now or hereafter acquired) under construction, making impregnable the company's ability to produce an adequate supply of ground wood. (4) All real estate owned except sundry reservations for homestead purposes. No property mortgaged can be released until the last bonds are paid.

The remaining \$500,000 bonds, maturing \$100,000 annually 1933-1937, are held in escrow and can only be issued for not to exceed 50% of the actual cost of new property or permanent additions.

Organized in Maine in 1904 and acquired at that time two water-power sites on the St. Croix River, and approximately 235,000 acres of timber land, all located, except about 20,000 acres, within the watersheds of the St. Croix River, about 110,000 acres being in Maine and the balance in the Province of New Brunswick. Present outstanding capitalization:

First M. serial 5s, due 1913-1937, auth., \$3,000,000; outst'g—\$2,500,000 Stock (\$500,000 pref. 6% cum.), par \$100, auth., & outst'g—2,000,000

The plant is located at Woodland, formerly called Sprague's Falls, Me., and is a modern steel and concrete newspaper-manufacturing plant, with up-to-date fire protection, the sulphite mill containing two digestors capable of producing about 60 tons of sulphite per day, 16 grinders using 28-in. wood and three paper machines with a capacity of 150 tons of newspaper per day. The property, not including the timber lands, represents a investment of over \$3,600,000. Power for the plant was provided by a solid concrete dam and water wheels, which developed, under a working head of 46 ft., approximately 13,000 h. p., the river flow being controlled by storage dams, lakes, and reservoirs.

The company now has under construction at Grand Falls, eight miles above Woodland, a concrete dam, canal and power house capable of producing about 12,000 h. p., two-thirds of which is to be installed at once, and transmitted as electric power to Woodland, permitting an increase in the ground-wood production by at least 14,000 tons yearly. This would provide material for two more paper machines with a capacity of 100 tons additional per day.

The timber lands owned are within easy hauling distance of streams emptying into the lakes or the river itself. Expert Charles F. Crawford reports that the annual growth of timber is much larger than the annual cut, and that the value of the stumpage is at least \$5,470,000.

The earnings available for interest charges and maturity payments, according to a report furnished to us by Niles & Niles, certified public accountants, have averaged \$306,736 for the five years ending Apr. 30 1912. The saving possible by the power now being developed at Grand Falls, it is expected, will add materially to the net earnings.

The consumption of newspaper has increased rapidly in this country in the last five years, and though some new mills have been constructed here and in Canada, the price has remained very firm. The markets for our product are chiefly in Boston, New York and Philadelphia.

We have been familiar with the affairs of this profitable, well-managed company since it was organized in 1904, and have known those most substantially interested for a number of years. [The \$2,500,000 new bonds have mostly been sold. The 2nd mtge. 6s of 1907, about 1,205,000, have been called for payment at Old Colony Trust, Boston, on Dec. 1 at par and int. The 1st M. 6s, about 900,000, also called, were payable on Sept. 1 last]. Compare V. 91, p. 713.

Santiago (Cuba) Electric Light & Traction Co.—Bonds Offered.—Lawrence Turnure & Co., New York, are placing at 98½ & int. \$2,000,000 1st M. 6% gold bonds due Jan. 1 1959; but redeemable, all or any, at 105 & int. on and after Jan. 1 1919. Par \$500 (c*). Prin. & int. (J. & J.) payable in U. S. gold coin at Equitable Tr. Co., New York, trustee. A circular shows:

Capital (No Floating Debt)—	Authorized.	Outstand'g.
Stock	\$2,000,000	\$1,500,000
First mortgage 6% gold bonds	2,500,000	2,000,000

Earnings in U. S. Currency for Cal. Years (Net Is Shown after Deducting Taxes).

	1909 (11 Mos.)	1910 (12 Mos.)	1911 (12 Mos.)	1912 (7 Mos.)
Gross	\$243,750	\$304,881	\$356,916	\$227,964*
Net	\$129,520	\$155,830	\$171,468	-----

* Increase 30%.

Sinking fund, commencing March 1 1919 will be sufficient to redeem the entire \$2,500,000 bonds authorized by 1959, 10 years before the expiration of any franchise.

Owens the only street railway and electric plant in Santiago (there is no gas plant in the city) and has a contract for public electric lighting. The lighting and street railway concessions are considered favorable, the former perpetual and the latter expiring in 1969. Owens 11 miles of standard gauge railway, including a line to the rapidly developing suburb of Vista Alegre, where the company owns land and where an amusement park has been established. Railway mostly laid with 87-lb. steel rail with steel cross-ties embedded in concrete. Transmission poles nearly all steel. Has 26 semi-convertible Brill passenger cars, each equipped with two General Electric 40 h. p. railway motors.

The double-tracking of the railway line to the suburb of Vista Alegre has become necessary and the cost of this, as well as of six new cars building and of a new 1,000 k. w. turbine for the power house, will be met from the proceeds of treasury stock.

Frank Steinhart, Pres. and Gen. Mgr. of Havana Elec. Ry., Lt. & Power Co., will be largely influential in the management of the Santiago Company, and by more modern methods and by desirable economies expects to increase considerably the profits. Pres., Sr. Don Jose Marimon, Pres. of "Spanish Bank of the Island of Cuba," one of the oldest and largest banks in the island. The population of Santiago is about 55,000 and is increasing.

Shreveport (La.) Water-Works Co.—City Offers to Buy.—See "Shreveport" in the "State and City" department.—V. 87, p. 1014.

Southern Counties Gas Co. of California.—Bonds, &c.—A block of \$200,000 1st M. sinking fund gold 6% bonds, dated April 1 1911 and due April 1 1941, but redeemable on April 1 1916 at 105 and int., is being placed at par and int. by Federal National Bank, Denver; J. H. Adams & Co., Los Ang. and San Fr., and Edwin M. Bosworth & Co., Denver, who report:

Capitalization: Pref. stock, auth., \$500,000; outstanding, \$340,000; com. stock, \$500,000; 1st M. bonds, auth., \$1,000,000; outstanding, \$554,500. Earnings for Year ending June 1 1912—5 Mos. end, May 31 1912—Estimate Cal. Years.

	Yr. '11-12	5 Mos. '12	Est. '12	Est. '13
Gross earnings	\$172,790	\$79,603	\$190,000	\$225,000
Net, after oper. expenses and taxes	45,349	26,071	-----	-----

Total meters, about 6,500 (against 5,300 in 1911). See also V. 94, p. 284; V. 95, p. 425.

Springfield (O.) Light, Heat & Power Co.—Option.—Ed. M. Tharp in the "Ohio State Journal," Columbus, Sept. 13, said in substance:

Hodenpyl, Hardy & Co., New York, have secured an option from a majority of the stockholders for the purchase of that property on or before Nov. 16 on a basis of \$60 a share (common stock; par \$100). This option, with \$10,715 guaranty, has been deposited with the Central National Bank; 80% of the stock must be deposited before Nov. 16. All stock deposited will bear interest at 5% per annum during the time it is thus held, payable by Hodenpyl, Hardy & Co. The company has \$1,000,000 common stock outstanding, \$100,000 6% cum. pref. stock and \$750,000 5% 1st M. bonds, and does the entire electric lighting and power business and the central station heating for the city of Springfield. The gross earnings for the year ending Jan. 31 1912 were \$223,076, an increase of \$26,787 over the previous year. Compare V. 91, p. 1714.

Surbrug (Tobacco) Mfg. Co.—Reported Sale.—See United Cigar Stores Co. of Am. below.—V. 82, p. 1501.

Tonopah (Nev.) United Water Co.—New Control.—The National Properties Co. of New York, it is stated, recently acquired control and elected as officers and directors: Van Horn Ely, Pres.; E. G. Wheeler, Vice-Pres.; B. N. Busch, Sec.; and Treas.; Ralph C. Lupton and C. B. Zabriskie, directors.—V. 89, p. 1673, 605.

United Cigar Stores Co. of America.—Stock All Subscribed.—Stockholders of the United Cigar Stores Co. have, it is announced, subscribed for practically all of the \$4,527,000 new preferred stock, which was offered to them at par, making it unnecessary for the underwriters to take any of the stock. See plan, V. 95, p. 241.

Acquisition of Surbrug Company.—The cigarette manufacturing department of the Surbrug (Tobacco) Co. (V. 82, p. 1501) has, it is stated, been purchased by a syndicate, including William H. Butler, in the interest of the United Cigar Stores Co. The Surbrug Co., it is reported, manufactures about 250,000,000 cigarettes a year, including the Milo and other popular brands, and in addition turns out a large quantity of smoking tobacco. Heretofore the United Cigar Stores Co. has confined its efforts entirely to the sales end of the tobacco industry, and prior to the dissolution of the American Tobacco Co. acted as its retail distributor.

The United Cigar Stores Co. has recently opened 13 stores in New Orleans alone.—V. 95, p. 549, 241.

United States Printing Co.—Selling Plan Approved.—The directors on Sept. 11 approved the plans for the organization of the joint sales agency with the United States Lithograph Co. under the name of the United States Printing & Lithographing Co. Compare V. 95, p. 425.

Vacuum Oil Co.—Second Dividend on Increased Stock.—A dividend of 3% has been declared on the \$15,000,000 stock, as recently increased, payable Oct. 31 to holders of record Oct. 15. A similar amount was paid on Aug. 15.—V. 95, p. 55.

Western States Gas & Electric Co.—Earnings.—

Year end.	Gross	Net (after Taxes)	Bond, &c. Interest.	Pref. Div. (7%).	Balance, Surplus.
May 31—Earnings.					
1911-12	\$919,545	\$517,334	\$177,578	\$130,360	\$209,396
1910-11	782,756	439,366	194,054	-----	-----

—V. 95, p. 180.

Westinghouse Electric & Manufacturing Co.—Second Dividend on Common Stock.—On 4% Basis.—The directors on Tuesday declared a dividend of 1% on the \$35,211,800 common stock for the quarter ending Sept. 30, payable Oct. 31 to holders of record Sept. 30. This is the second dividend on the stock since the reorganization in 1908, a similar amount having been paid on Apr. 30 last from the earnings of the fiscal year ending Mch. 31. Compare V. 94, p. 922. Chairman Tripp is quoted:

The action of the directors means that the common stock is established on a 4% basis and will continue on a 4% basis unless there develop less favorable conditions than the present outlook indicates. Increases in the dividend will be subject to future consideration.—V. 95, p. 56.

Worcester (Mass.) Elec. Light Co.—Increase of Stock.—The directors on Sept. 17 voted to recommend to the stockholders at the annual meeting on Oct. 9 that the present capital stock of \$800,000 be increased to pay the floating debt and other expenses incurred in the recent additions to the power plant. The amount which will, it is stated, probably be \$200,000, will be left for the stockholders to decide. The amount to be issued, as well as the price and method of distribution, will be determined after the consent of the Massachusetts Gas and Electric Light Commissioners is obtained.—V. 93, p. 1047.

Yankee Fuel Co.—Successor Company.—See New Mexico-Colorado Coal & Mining Co. above.—V. 92, p. 144.

—Our Annual Convention Supplement—the Bankers' Convention Section—accompanies to-day's issue of the "Chronicle". This year's Supplement contains a complete report of the proceedings of the 1912 Convention of the American Bankers' Association held in Detroit last week. We have endeavored to secure for the advertising pages of our Convention Supplement the most representative banks and trust companies and the banking firms of the highest character in this country, which will appeal to the exacting banking and investment requirements of the readers of this paper. In addition to these, the foreign banking corporations and concerns are largely represented among the advertisements, including some of the best known institutions in the world. A feature of all the advertisements is the attractiveness of their display and the interesting half-tone cuts of the bank buildings and advertising trade-marks employed by the various advertisers.

"How to Analyze Railroad Reports" is the title of a new book published by John Moody, the well-known Wall Street writer on corporation securities. The scope of the book is indicated by some of the chapter headings, which include The Location of the Railroad, the Management of the Railroad, Physical Factors in the Railroad, Passenger and Freight Density, Freight Train Load, The General Income Account, The Maintenance Accounts, Outside Operations, Net Operating Revenues, Fixed Charges and the Margin of Safety, Assets and Liabilities, The Balance Sheet, Net Capitalization, &c. An appendix furnishes an outline of the uniform accounting requirements of the Inter-State Commerce Commission. Published by Analyses Publishing Co., 35 Nassau Street, New York. Price \$2 10.

—Edmund V. Cuming & Co., members of the Baltimore Stock Exchange, announce that they have opened offices at 209-211 East German St., Keyser Bldg., Baltimore. The new firm is composed of Edmund V. Cuming and Harry E. Schnieder, both formerly connected with Boyer, Griswold & Co. Edmund V. Cuming & Co. will conduct a general banking and brokerage business and have direct wires to all the principal cities and every facility for keeping in touch with the security and investment markets. The concern will be the Baltimore correspondents of Pennington, Colket & Co.

—At 91½ and interest, yielding 5¼% on the investment, Nelson, Cook & Co. of Baltimore are offering \$100,000 Lehigh Valley Transit Co. ref. and impt. mtge. 50-year 5% bonds, which are tax-exempt in Pennsylvania. The firm's special circular just issued covers all the investment features of this property and also includes a list of other attractive bonds at prices to return the buyers 4½ to 5.35%. Copy will be mailed to all inquirers.

—W. W. Vernon of Chicago has resigned his position as Secretary and Treasurer of Porter, Fishback & Co. and severed his connection with the American Life Insurance Co. of Chicago. Mr. Vernon retains his connection as Treasurer of the Edmund T. Perkins Engineering Co. and is at present engaged in the independent, financing of a number of projects for his own account.

—Harris, Forbes & Co. of New York are offering at 97 and interest, by advertisement elsewhere in this issue to-day, \$1,687,000 Iowa Ry. & Light Co. first and refunding mtge. 5% bonds due 1932. Net earnings over twice bond interest. See advertisement for general details and item regarding this property in the "General Investment News Department" for other particulars.

—Anticipating the tax date October 1st, A. M. Kidder & Co., 5 Nassau St., this city, are advertising a list of "exempt-from-tax" guaranteed railroad stocks which list the firm will gladly mail to interested parties upon application.

—The firm of Kilvert, White & Co., Providence, has dissolved and new partnerships have been formed, viz.: C. A. Kilvert & Co., 19 Exchange Place, and W. W. White & Co., 29 Weybosset St.

—Attention is called to the offering by Bolger, Mosser & Willaman, Chicago, of City of Tacoma 4½s to net 4.35%. See particulars in advertisement.

—Pingree, McKinney & Co. are recommending Laconia Car Co. pref. stock, placed early in the year at 112 and now quoted at about 114. (See V. 95, p. 52.)

Reports and Documents.

CHICAGO & NORTH WESTERN RAILWAY COMPANY

FIFTY-THIRD ANNUAL REPORT—FOR THE FISCAL YEAR ENDING JUNE 30 1912.

To the Stockholders of the Chicago & North Western Railway Co.:

The Board of Directors submit herewith their report of the operations and affairs of the Chicago & North Western Railway Company for the fiscal year ending June 30 1912:

Average number of miles operated.....	7,858.87
Operating Revenues:	
Freight Revenue.....	\$46,691,540 41
Passenger Revenue.....	19,555,567 15
Other Transportation Revenue.....	6,775,256 34
Non-transportation Revenue.....	676,227 68
Total Operating Revenues.....	\$73,698,591 58
Operating Expenses (71.51% of Operating Revenues).....	52,701,843 30
Net Operating Revenue.....	\$20,996,748 28
Outside Operations—Net Deficit.....	33,038 59
Total Net Revenue.....	\$20,963,709 69
Taxes Accrued (4.64% of Operating Revenues).....	3,422,838 13
Operating Income.....	\$17,540,871 56
Other Income:	
Rents—Credits.....	\$165,790 30
Dividends on Stocks Owned.....	1,844,722 00
Interest on Funded Debt Owned.....	5,025 00
Interest on Other Securities, Loans and Accounts, and Other Items.....	1,238,239 91
Total Other Income.....	3,253,777 21
Gross Income.....	\$20,794,648 77
Deductions from Gross Income:	
Rents—Debits.....	\$1,194,791 02
Interest Accrued on Funded Debt.....	8,043,839 90
Other Interest.....	39,848 94
Sinking Funds.....	38,000 00
Other Deductions.....	10,838 31
Total Deductions from Gross Income.....	9,327,318 17
Net Income.....	\$11,467,330 60
Dividends:	
8% on Preferred Stock.....	\$1,791,600 00
7% on Common Stock.....	9,108,015 00
Total Dividends on Stock.....	10,899,615 00
Balance Income for the year.....	\$567,715 60

The results as compared with the preceding fiscal year were as follows:

Freight Revenue decreased.....	\$2,333,417 58
Passenger Revenue increased.....	\$436,683 48
Other Transportation Revenue increased.....	463,881 42
Non-transportation Revenue increased.....	213,258 43
	1,113,823 33
Decrease in Total Operating Revenues.....	\$1,219,594 25
Operating Expenses decreased.....	\$310,866 89
Taxes Accrued increased.....	306,804 29
	24,700 97
Decrease in Operating Expenses and Taxes Accrued.....	\$4,062 60
Net Deficit from Outside Operations decreased.....	20,638 37
	\$1,194,893 28

The Operating Expenses for the current fiscal year include \$30,350,692 09 paid for labor as compared with \$30,018,957 58 paid during the preceding fiscal year, being an increase of \$331,734 51, accounted for as follows:

Increase account higher rates of compensation.....	\$471,397 58
Decrease account less time worked by employees.....	139,663 07
	\$331,734 51

MILES OF RAILROAD.

The total number of miles of railroad owned June 30 1912 was.....	7,744.85 miles
In addition to which the Company operated:	
Through Ownership of Entire Capital Stock—	
Wolf River Valley Ry. (Junction east of Elton to Van Ostrand, Wis.).....	1.98 "
Under Lease—	
St. Paul Eastern Grand Trunk Ry. (Clintonville to Oconto, Wis., and branches).....	60.02 miles
De Pue Ladd & Eastern RR. (Ladd to Seatonville, Ill.).....	3.25 "
Belle Fourche Valley Ry. (Belle Fourche to Newell, S. D.).....	23.52 "
James River Valley & North Western Ry. (Blunt to Gettysburg, S. D.).....	39.55 "
Des Plaines Valley Ry. (Proviso Yard to Wisconsin Division Junction, Ill.).....	10.50 "
	136.84 "
Under Trackage Rights—	
Peoria & Pekin Union Ry. (In the city of Peoria, Ill.).....	2.02 "
Chicago Indiana & Southern RR. (Churchill to Ladd, Ill.).....	2.80 "
Union Pacific RR. (Broadway Station, Council Bluffs, Iowa, to South Omaha, Neb.).....	8.73 "
Missouri Valley & Blair Ry. & Bridge Co.'s track.....	3.36 "
Chicago St. Paul Minneapolis & Omaha Ry. (Blair to Omaha, Neb.).....	24.70 "
Chicago St. Paul Minneapolis & Omaha Ry. (Elroy to Wyeville, Wis.).....	22.79 "
Chicago St. Paul Minneapolis & Omaha Ry. (In Sioux City, Iowa).....	2.28 "
Illinois Central RR. (Sioux City to Wren, Iowa).....	10.10 "
	76.78 "
Total miles of railroad operated June 30 1912.....	7,960.45 "
The above mileage is located as follows:	
In Illinois.....	695.52 miles
In Wisconsin.....	2,164.55 "
In Michigan.....	519.88 "
In Minnesota.....	650.30 "
In Iowa.....	1,620.26 "
In North Dakota.....	14.28 "
In South Dakota.....	1,063.15 "
In Nebraska.....	1,102.05 "
In Wyoming.....	130.46 "
Total.....	7,960.45 "

FREIGHT TRAFFIC.

The details of Freight Traffic for the year ending June 30 1912, compared with the preceding year, were as follows:

	1911.	1912.	Decrease— Amount.	P.C. Inc. or Dec.
Freight Revenue.....	\$49,024,957 99	\$46,691,540 41	\$2,333,417 58	4.76
			Per cent of Inc. or Dec.	
Tons of Freight Carried.....	36,733,526	37,265,642	1.45	Inc.
Tons of Freight Carried One Mile.....	5,433,696,684	5,146,634,307	5.28	Dec.
Average Revenue Received per Ton.....	\$1.33	\$1.25	6.02	Dec.
Average Revenue Received per Ton per Mile.....	.90 of a cent	.91 of a cent	1.11	Inc.
Average Distance Each Ton Was Hauled.....	147.92 miles	138.11 miles	6.63	Dec.
Mileage of Revenue Freight and Mixed Trains.....	19,648,998	17,216,183	12.38	Dec.
Average Number of Tons of Revenue Freight Carried per Train Mile.....				
East of Missouri River.....	300.27	324.36	8.02	Inc.
West of Missouri River.....	133.48	136.93	2.58	Inc.
Whole Road.....	276.54	298.94	8.10	Inc.
Average Number of Tons of Revenue Freight Carried per Loaded Car Mile.....	15.65	16.87	7.80	Inc.
Average Freight Revenue per Train Mile.....	\$2.50	\$2.71	8.40	Inc.

PASSENGER TRAFFIC.

The details of Passenger Traffic for the year ending June 30 1912, compared with the preceding year, were as follows:

	1911.	1912.	Increase— Amount.	% Inc. or Dec.
Passenger revenue.....	\$19,118,883 67	\$19,555,567 15	\$436,683 48	2.28
			% of Inc.	
Passengers Carried.....	30,330,900	31,526,803	+3.94	
Passengers Carried One Mile.....	1,054,572,455	1,080,580,440	+2.47	
Average Fare Paid per Passenger.....	63 cents	62 cents	—1.59	
Average Rate Paid per Passenger per Mile.....	1.81 cents	1.81 cents	—	
Average Distance Traveled per Passenger.....	34.77 miles	34.28 miles	—1.41	
Mileage of Revenue Passenger and Mixed Trains.....	20,144,057	21,232,249	+5.40	
Average Passenger-Train Revenue per Train Mile.....	\$1 20	\$1 17	—2.50	

MAINTENANCE OF WAY AND STRUCTURES.

The total Operating Expenses of the Company for the year ending June 30 1912 were \$52,701,843 30; of this amount \$9,368,721 19 was for charges pertaining to the Maintenance of Way and Structures. Included in these charges is a large part of the cost of 47,168 tons of steel rails, the greater portion of which was laid in replacement of rails of lighter weight in 344.77 miles of track; also the cost of 2,168,273 new ties.

The charges for Maintenance of Way and Structures also include a large portion of the cost of ballasting 95.73 miles of track with crushed stone, 129.43 miles with gravel and 19.88 miles with cinders; the erection, in place of wooden structures, of 35 new steel bridges on masonry and 7 on pile supports, aggregating 4,018 feet in length and containing 2,494 tons of bridge metal, and the replacement of other wooden structures with masonry arch and box culverts and cast-iron pipes, the openings being filled with earth. The wooden structures replaced by permanent work aggregate 8,640 feet in length.

The charges on account of Maintenance of Way and Structures for the year ending June 30 1912, compared with the preceding year, were as follows:

	1911.	1912.	Inc. (+) or Dec. (—).
Cost of Rails:			
New steel rails.....	\$1,149,889 91	\$684,098 02	—\$465,791 89
Usable and re-rolled rails.....	386,659 53	517,029 13	+130,369 60
	\$1,536,549 44	\$1,201,127 15	—\$335,422 29
Less value of old rails and other items.....	1,093,061 45	858,802 36	—234,259 09
Net charge for rails.....	\$443,487 99	\$342,324 79	—\$101,163 20
Cost of Ties.....	1,285,538 95	1,089,639 61	—195,899 34
Cost of Ballast.....	183,677 18	270,889 41	+87,212 23
Cost of Other Track Material.....	415,725 36	332,143 11	—83,582 25
Roadway and Track Labor and Other Expenses.....	4,169,703 72	3,971,729 48	—197,974 24
Total Charges for Roadway and Track.....	\$6,498,133 20	\$6,006,726 40	—\$491,406 80
Other Charges Account Maintenance of Way and Structures were as follows:			
Bridges, Trestles and Culverts.....	1,284,681 52	982,706 24	—301,975 28
Road Crossings, Fences, &c.....	268,962 82	228,930 65	—40,032 17
Signals and Interlocking Plants.....	246,663 31	314,857 72	+68,194 41
Buildings, Fixtures and Grounds.....	986,104 39	977,028 80	—9,075 59
Docks and Wharves.....	68,556 21	130,497 71	+61,941 50
Superintendence.....	399,833 44	463,546 88	+63,713 44
Roadway Tools and Supplies.....	75,157 02	92,885 00	+17,727 98
Sundry Miscellaneous Charges.....	174,140 01	171,541 79	—2,598 22
Total Charges Account Maintenance of Way and Structures.....	\$10,002,231 92	\$9,368,721 19	—\$633,510 73

The above charges for Maintenance of Way and Structures for the current year amount to 17.78% of the total Operating Expenses, as compared with 18.87% for the preceding fiscal year.

MAINTENANCE OF EQUIPMENT.

The charges on account of Maintenance of Equipment for the year ending June 30 1912, compared with the preceding year, were as follows:

	1911.	1912.	Inc. (+) or Dec. (-).
Locomotives	\$4,021,661 26	\$4,167,982 40	+\$146,321 14
Passenger-Train Cars	980,437 97	907,629 77	-72,808 20
Freight-Train Cars	3,684,541 12	3,764,638 33	+80,097 21
Work Equipment	107,056 90	99,451 93	-7,604 97
Shop Machinery and Tools	201,271 48	241,971 21	+40,699 73
Superintendence	239,107 88	310,815 69	+71,707 81
Sundry Miscellaneous Charges	73,119 48	77,363 82	+4,244 34

Total Charges Account Maintenance of Equipment \$9,307,196 09 \$9,569,853 15 +\$262,657 06

The above charges for Maintenance of Equipment for the current year amounted to 18.16% of the total Operating Expenses, as compared with 17.56% for the preceding fiscal year.

RESERVE FOR ACCRUED DEPRECIATION OF EQUIPMENT.

At the close of the preceding fiscal year there was a balance to the credit of the Equipment Reserve Accounts of \$2,386,365 49

During the year ending June 30 1912 there was credited to the Equipment Reserve Accounts on account of charges to Operating Expenses and Profit and Loss, and for salvage 2,287,477 45

And there has been charged during the year against the above amount the original cost of Equipment retired and other items, as follows:

15 Locomotives	\$125,506 00
8 Passenger-Train Cars	36,461 24
1,434 Freight-Train Cars	956,686 34
126 Work Equipment Cars	23,950 00
Other Items	155,377 14
	1,297,980 72

Leaving a balance to the credit of the Equipment Reserve Accounts on June 30 1912 of \$3,375,862 22

TRANSPORTATION EXPENSES.

The Transportation Expenses of the Company for the year ending June 30 1912 were \$30,924,938 30, or 58.68% of the total Operating Expenses. Of this amount \$18,791,386 22, or 60.77%, was charged for labor; \$7,661,267 62, or 24.77%, was charged for fuel for locomotives, and \$4,472,284 46, or 14.46%, was charged for supplies and miscellaneous items. The increase in the Transportation Expenses for the year ending June 30 1912, as compared with the preceding fiscal year, was \$68,074 45, or 0.22%, distributed as follows:

Increase in amount charged for labor	\$220,748 45
Decrease in amount charged for fuel for locomotives	302,654 49
Increase in amount charged for supplies and miscellaneous items	149,980 49

Net Increase \$68,074 45

CAPITAL STOCK.

There was no change during the year in the Capital Stock and Scrip of the Company other than the purchase by the Company of \$110 00 Common Stock Scrip.

The Company's authorized Capital Stock is Two Hundred Million Dollars (\$200,000,000 00), of which the following has been issued to June 30 1912:

Common Stock and Scrip held by Public	\$130,117,103 82
Common Stock and Scrip owned by the Company	2,338,427 15
Total Common Stock and Scrip	\$132,455,530 97
Preferred Stock and Scrip held by the Public	\$22,395,120 00
Preferred Stock and Scrip owned by the Company	3,834 50
Total Preferred Stock and Scrip	22,398,954 56
Total Capital Stock and Scrip June 30 1912	\$154,854,485 53

FUNDED DEBT.

At the close of the preceding fiscal year the amount of Bonds held by the Public and in Sinking Funds was \$169,214 000 00

The above amount has been decreased during the year ending June 30 1912 as follows:

Bonds Redeemed with Sinking Fund Payments:	
C. & N. W. Ry. Sinking Fund of 1879, 6%	\$67,000 00
C. & N. W. Ry. Sinking Fund of 1879, 5%	68,000 00
Total Bonds Redeemed	135,000 00

\$169,079,000 00

And the above amount has been increased by Bonds assumed during the year, as follows:

Milwaukee Sparta & North Western Railway First Mortgage	15,000,000 00
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Total Bonds held by the Public and in Sinking Funds June 30 1912 \$184,079,000 00

Net Increase during the year in Bonds held by the Public and in Sinking Funds \$14,865,000 00

BONDS IN THE TREASURY AND DUE FROM TRUSTEE.

At the close of the preceding fiscal year the amount of the Company's Bonds in its Treasury and due from Trustee was \$5,248,000 00

The above amount has been increased during the year ending June 30 1912 as follows:

C. & N. W. Ry. General Mortgage Gold Bonds of 1887, due from Trustee in Exchange for Bonds Retired, viz.:	
C. & N. W. Ry. Sinking Fund of 1879, 6%	\$66,000 00
C. & N. W. Ry. Sinking Fund of 1879, 5%	67,000 00
	\$133,000 00
C. & N. W. Ry. General Mortgage Gold Bonds of 1887, due from Trustee on Account of Construction Expenditures Made during the year	1,000,000 00
	1,133,000 00

Total Bonds in the Treasury and due from Trustee June 30 1912 \$6,381,000 00

Net Increase during the year in Bonds in the Treasury and due from Trustee \$1,133,000 00

CONSTRUCTION.

The construction charges for the year ending June 30 1912 were as follows:

On Account of Additional Main Tracks, viz.:	
Second Track, Lake Shore Junction to north of Lindworm, Wis.	4.16 \$180,452 85
Second Track near West Allis, Wis.	1.27 66,596 87
	\$247,049 72
On Account of Extension, viz.:	
Dallas to Winner, South Dakota	21.50 34,290 68
On Account of Elevating Tracks, viz.:	
In the City of Evanston, Ill.	\$19,615 80
North 46th Ave. to Austin Ave., Chicago, Ill.	1,886 41
Austin Ave. to Harlem Ave., Oak Park, Ill.	354,680 57
Harlem Ave., Oak Park, Ill., to Des Plaines River	266,467 48
South Branch Track, from near Taylor St. to Canal St., Chicago, Ill.	24,683 34
	667,333 60
Sundry Construction:	
Right of Way and Additional Depot and Yard Grounds	Cr. \$60,462 75
Station Buildings and Fixtures	34,220 58
Shops, Enginehouses and Turntables	49,864 93
Water and Fuel Stations	63,859 45
Shop Machinery and Tools	111,593 40
Bridges, Trestles and Culverts	710,196 41
Interlocking and Signal Apparatus	98,915 76
Telegraph and Telephone Lines	142,966 36
New Sidings, Yard Tracks and Spurs to Industries	106,679 79
Betterment of Roadway and Track	642,385 73
Proviso, Ill., Terminal Improvements	413,214 14
Boone, Iowa, Terminal Improvements	347,971 06
New Chicago Passenger Terminal	189,406 28
Miscellaneous Construction, including Road Crossings, Signs and other items	86,413 28
	2,937,224 42
Equipment:	
Equipment Retired	Cr. \$1,297,980 72
Equipment Acquired—41 locomotives, 65 passenger-train cars and 26 work-equipment cars	1,219,587 27
	Cr. 78,393 45
Account Cost of Milwaukee Sparta & North Western Ry. (incomplete)	\$3,807,504 97
	14,506,058 41
Total	\$18,313,563 38

* For equipment being acquired under the Equipment Trust of 1912 see page 19 [of pamphlet report].

TRACK ELEVATION.

The elevation of the Company's six main tracks on the Galena Division through the Village of Oak Park, which adjoins the City of Chicago at its western limits, has been completed. The continuation of this elevation through the villages of River Forest and Forest Park, a distance of 1.43 miles, has been practically completed from the western limits of Oak Park to the overhead crossing of the Minneapolis St. Paul and Sault Ste. Marie Railway in River Forest, a distance of .8 miles.

SUNDRY ADDITIONS AND BETTERMENTS.

Among the more important sundry additions and betterments to the property of the Company during the fiscal year are the following:

An additional main track from Lake Shore Junction, Wisconsin, to a connection with the Milwaukee Sparta & North Western Railway north of Lindworm, a distance of 4.16 miles, has been completed.

An aggregate of 124.74 miles of yard tracks, sidings and industrial spurs has been added.

At Norfolk, Nebraska, a modern brick passenger station and eating-house has been completed.

At Proviso, Illinois, the enlargement and improvement of the Company's terminal facilities by the construction of a 58-stall, 90-foot brick engine house, machine shop, power house, and other buildings, ample coal and water facilities, and 33.20 miles of additional yard tracks, is nearly completed.

At Boone, Iowa, the construction of a 36-stall, 90-foot brick engine-house, power-house, electric light and transmission line, machine-shop and miscellaneous buildings, has been completed. There has also been added to the freight yard at this station 11.46 miles of tracks.

At the Chicago Shop Plant a brick extension to the power-house, 108 feet by 30 feet, has been made, which will provide space for four 250 H. P. boilers.

At Milwaukee, Wisconsin, a reinforced concrete, ten cylinder, grain elevator, having a total capacity of 500,000 bushels, is being constructed.

Automatic block signals are being installed between Harvard Illinois, and Evansville, Wisconsin, a distance of 44 miles, and between Madison and Baraboo, Wisconsin, a distance of 38 miles. Upon completion of the work now under construction, 865.4 miles of the Company's main line will be protected by automatic signals.

A telephone line for use in dispatching trains has been completed during the year from Boone to Council Bluffs, Iowa, a distance of 148 miles, and a telephone line for like use is being installed from Chicago, Illinois, to Clinton, Iowa, a distance of 138 miles, which will provide a continuous telephone line from Chicago to Council Bluffs. Upon completion of this line the Company will have in operation 1,918 miles of telephone lines for use in dispatching trains.

NEW RAILWAYS AND EXTENSIONS.

The Milwaukee Sparta & North Western Railway, a proprietary railway, to which reference was made in previous annual reports, extending from near Lindworm on the Wisconsin Division, about eight miles north of Milwaukee, to Sparta on the Madison Division, a distance (including the railway acquired from the Princeton and Western Railway

Company) of 169.85 miles, and from a connection with the above line at a point about six miles west of Lindworm, to a connection with the Milwaukee and Madison line near West Allis, a distance of 8.63 miles, in all 178.48 miles, was purchased by this Company on April 1, 1912. In the completion of this railway an additional main track is being constructed from Butler Junction to Clyman, Wisconsin, a distance of 35.38 miles, and automatic block signals for both main tracks between these points are being installed; an important enlargement is being made to the Butler Yard, and three overhead viaducts to carry public highways over the Company's tracks are being constructed.

The *Des Plaines Valley Railway*, a double track outer belt railway, under construction in the interest of this Company from the Proviso Yard on the Galena Division to a point on the Wisconsin Division near Blodgett, Ill., a distance of 20.53 miles, has been completed from the Proviso Yard to Wisconsin Division Junction near Des Plaines, Ill., a distance of 10.50 miles, and will be completed between Wisconsin Division Junction and a point on the Wisconsin Division near Blodgett on or about September 1 1912. This railway directly connects the several divisions of the Chicago and North Western Railway, outside of the City of Chicago, with the new terminal yards at Proviso, about five miles west of the City limits, at which point connection is made with the Indiana Harbor Belt Railroad owning, or having trackage rights over, about 112 miles of Belt Railroad, serving the important industrial territory in the vicinity of Indiana Harbor and Gary, Indiana. The Chicago and North Western Railway Company acquired an interest in the stock and certain obligations of the Indiana Harbor Belt Railroad during the preceding year. The completed portion of the *Des Plaines Valley Railway* is operated under lease by the Chicago and North Western Railway Company.

The *St. Louis Peoria & North Western Railway*, to which reference was made in the last annual report, is under construction in the interest of this Company from near Peoria, to near Girard, Illinois, a distance of 90.6 miles. The right of way for this railway has been acquired and substantial progress has been made during the year in its construction. Near Girard the new railway will connect with the Macoupin County Railway, a proprietary railway ex-

tending from Girard to the Company's coal fields in Macoupin County, Illinois.

EQUIPMENT TRUST OF 1912.

To make provision for the acquisition of additional equipment, an agreement, sanctioned by the Board of Directors, was entered into on January 20, 1912, establishing the Chicago & North Western Railway Company Equipment Trust of 1912. The agreement provides for the acquisition of equipment by the Vendors named therein, its conveyance and delivery to The Farmers' Loan & Trust Company and Edwin S. Marston, Trustees, and the leasing thereof by this Company for a term of ten years. The Trust Company will thereupon issue Chicago & North Western Railway Company Equipment Trust Certificates to an amount not to exceed the cost of the equipment so delivered and leased, the total of which certificates shall not exceed \$10,000,000.00. Upon compliance with the agreement and leases, in which provision is made for the retirement of the certificates during the terms of the leases, title to such equipment will become vested in this Company.

Contracts have been made by the Vendors for the following equipment to be delivered by September 1, 1912:

75 locomotives,
55 passenger cars,
3,000 box cars,
1,000 refrigerator cars,
600 furniture cars,
500 flat cars.

LANDS.

During the year ending June 30, 1912, 5,441.84 acres and 83 town lots of the Company's Land Grant lands have been sold for the total consideration of \$144,764.35. The total number of acres remaining in the several Grants June 30 1912 amounted to 369,595.45 acres, of which 29,369.97 acres were under contract for sale, leaving unsold 340,225.48 acres.

Appended hereto may be found statements, accounts and statistics relating to the business of the fiscal year and the condition of the Company's affairs on June 30 1912.

By order of the Board of Directors.

WILLIAM A. GARDNER,

President.

[For statistical tables see under Annual Reports on a preceding page.]

THE CHESAPEAKE & OHIO RAILWAY COMPANY

THIRTY-FOURTH ANNUAL REPORT—FOR THE FISCAL YEAR ENDED JUNE 30, 1912.

Richmond, Va., September 12, 1912.

To the Stockholders:

The Thirty-fourth Annual Report of the Board of Directors, for the fiscal year ended June 30, 1912, is herewith submitted.

The average mileage operated during the year by The Chesapeake and Ohio Lines was 2,263.1 miles, an increase over the previous year of 33.9 miles. The mileage at the end of the year was 2,305.5 miles, an increase of 63.9 miles over mileage on June 30, 1911. See schedule on page 12.

The operations of the Chicago Line (The Chesapeake and Ohio Railway Company of Indiana) are included in this report. This line has not yet begun to yield any return to your Company upon the sums invested in the purchase of its stocks and bonds. This is due in part to its physical condition at the time it was acquired and to the consequent necessity for steady improvement and excessive maintenance work, coupled with the necessity for expediting through traffic in order that the business offered your Company might be handled. Careful measures have been undertaken for bringing this line to a much higher state of efficiency and the outlook upon its future earnings appears more favorable now than at any time since its acquisition.

RESULTS FOR THE YEAR.

Operating Revenues were.....	\$34,289,869 77
(Increase \$1,706,458 53, or 5.24%.)	
Operating Expenses were.....	22,635,681 04
(Increase \$842,066 02, or 3.86%.)	
Net Operating Revenue was.....	\$11,654,188 73
(Increase \$864,392 51, or 8.01%.)	
Taxes were.....	1,014,219 94
(Decrease \$51,633 19, or 4.84%.)	
Operating Income, Taxes deducted, was.....	\$10,639,968 79
(Increase \$916,025 70, or 9.42%.)	
Miscellaneous Income was.....	1,808,562 90
(Increase \$247,748 17, or 15.87%.)	
Rentals and Other Payments were.....	\$12,448,531 69
(Decrease \$334,906 17, or 28.70%.)	
Income for the year available for interest was.....	\$11,616,512 52
(Increase \$1,498,680 04, or 14.81%.)	
Interest (63.21% of amount available) amounted to.....	7,342,306 49
(Increase \$452,758 84, or 6.57%.)	
Net Income for the year, equivalent to 6.81% on capital stock outstanding, amounted to.....	\$4,274,206 03
(Increase \$1,045,921 20, or 32.40%.)	
Dividends paid during the year: Four dividends of 1 1/4% each, aggregating.....	3,139,627 50
Remainder, devoted to improvement of physical and other assets.....	\$1,134,578 53

FINANCIAL.

The outstanding capital stock was reduced during the year through the conversion of \$200 par value of First Preferred Stock into Common Stock. The changes in funded debt in the hands of the public during the year were as follows:

	Increase.	Decrease.
4 1/2% Secured Gold Notes.....	\$3,500,000 00	
4 1/2% General Mortgage Bonds.....	374,000 00	
4% Greenbrier Ry. Co. First Mtge. Bonds.....		\$23,000 00
Equipment Trust Obligations.....		2,118,671 34
Total.....	\$3,874,000 00	\$2,141,671 34
Net increase.....	1,732,328 66	

Other changes in funded debt shown on the balance sheet of June 30 1912 were:

	Increase.	Decrease.
5% First Lien and Improvement Mtg. Bonds.....	\$22,468,000 00	
4% Raleigh & Southwestern Ry. Co. First Mortgage Bonds.....	144,000 00	
4% Coal River Ry. Co. First Mtge. Bonds.....	78,000 00	
4% Big Sandy Ry. Co. First Mtge. Bonds.....	6,000 00	
5% General Funding and Improvement Bonds.....		\$6,787,000 00
Equipment Trust Notes of Nov. 18 1909.....		2,170,000 00

None of the First Lien and Improvement Mortgage Bonds issued during the year has been sold, all of them, with the exception of a small amount in the Company's treasury, having been deposited as collateral for \$19,500,000 of outstanding 4 1/2 per cent Secured Gold Notes. These bonds were issued during the year and were authenticated and delivered in respect of the acquisition of certain stocks and bonds, for the payment of certain equipment obligations, and \$5,000,000, face amount, for additions and betterments.

The 4 1/2 per cent Secured Gold Notes issued during the year were sold to provide funds for new equipment and other additions and betterments; the 4 1/2 per cent General Mortgage Bonds were issued for the building of additional second track; and the Raleigh & Southwestern, Coal River and Big Sandy Railway Companies' First Mortgage Bonds issued during the year were acquired by your Company in reimbursement for capital expenditures made for account of those branch lines and remain in your Company's treasury. The decrease in the amount of 5 per cent General Funding and Improvement Mortgage Bonds outstanding is due to the pledge of that face amount of bonds acquired by your Company two years ago, against which a like amount of First Lien and Improvement Mortgage Bonds have been issued; and other decreases shown above in amounts of outstanding bonds are due to retirement through sinking funds.

Your Company has acquired during the year additional shares of stock of The Chesapeake & Ohio Equipment Corporation, the First National Bank Building Corporation (Richmond, Va.), and of White Sulphur Springs, Incorporated. It has also acquired all the stock of the Logan & Southern Railway Company and of the Silver Grove Land & Building Company, and notes of The Chesapeake & Ohio Equipment Corporation were acquired and pledged under your Company's First Lien and Improvement Mortgage. Further shares of stock and first mortgage bonds of The Chesapeake & Ohio Railway Company of Indiana were

issued in respect of the cost of certain additions and betterments made to that line and were pledged under your Company's First Lien and Improvement Mortgage.

A statement of charges to property accounts will be found on page 16, by referring to which it will be seen that additions and betterments were made to the amount of \$3,710,498.92, of which \$3,550,035.75 was added to cost of road and \$160,463.17 to cost of equipment. The Chesapeake & Ohio Equipment Corporation issued \$20,000 additional stock and \$1,750,000 additional notes for purchase of new equipment, all of which was acquired by your Company at par, \$5,910,000 face amount of similar notes having been acquired in July 1911 out of the proceeds of the sale of securities in the previous fiscal year. The total property investment pertaining to the fiscal year was, therefore, \$5,480,498.92.

A schedule of securities owned June 30 1912 will be found on page 17. (See pamphlet report.)

During the past three years your Company's increase in capital liabilities in hands of the public, its principal acquisition of stocks and bonds of other Companies, and its expenditures for branch line construction, equipment and other additions and betterments have been as follows:

Capital Obligations Issued or Assumed—		Par Value.
General Mtge. 4 1/4% Bonds...		\$3,716,000 00
First Consol. Mtge. 5% Bonds		2,000,000 00
Convertible 4 1/4% Debentures		31,390,000 00
Three-Year 4 1/4% Collateral Trust Notes		19,500,000 00
Coal River Railway Co. First Mortgage 4% Bonds		2,310,000 00
Raleigh & Southwestern Ry. Co. First Mtge. 4% Bonds		350,000 00
		\$59,266,000 00
Realizing		\$55,851,735 00
Less:		
Capital Obligations Paid or Purchased—		
Peninsula Division First Mtge. 6% Bonds maturing January 1 1911		\$2,000,000 00
Greenbrier & New River RR. Co. First Mtge. 5% Bonds redeemed February 1 1911		339,000 00
General Funding and Improvement Mtge. 5% Bonds		6,787,000 00
Greenbrier Ry. Co. First Mtge. 4% Bonds retired Nov. 1 1911		2,000 00
Equipment Trust Payments—Through Sinking Funds:		6,140,000 00
Big Sandy Ry. Co. First Mortgage 4% Bonds		157,000 00
Coal River Ry. Co. First Mortgage 4% Bonds		56,000 00
Greenbrier Ry. Co. First Mortgage 4% Bonds		60,000 00
Raleigh & Southwestern Ry. Co. First Mtge. 4% Bonds		6,000 00
		\$15,547,000 00
Costing		15,857,801 25
		\$39,993,933 75
Acquisitions—		
Stocks of:		
The C. & O. Ry. Co. of Indiana		\$5,131,500 00
First National Bank Building Corporation (Richmond, Va.)		180,000 00
The Hocking Valley Ry. Co.		7,671,800 00
The Kanawha & Michigan Railway Co.		4,029,600 00
Kanawha Bridge & Term'l Co.		400,000 00
Logan & Southern Ry. Co.		82,800 00
Levisa River RR. Co. (of Ky.)		50,000 00
The Levisa River RR. Co. (of Va.)		50,000 00
Silver Grove Land & Bldg. Co.		111,000 00
White Sulphur Springs, Incorp.		769,400 00
Miscellaneous		6,000 00
		\$18,482,100 00
Costing		\$18,742,134 39
Bonds of:		
The C. & O. Ry. Co. of Indiana First Mortgage 5%—		\$6,208,000 00
		4,966,900 00
Properties of:		
Coal River Railway Co.		\$2,304,359 88
Raleigh & Southwestern Railway Co.		816,562 42
		3,120,922 30
Construction of:		
Extensions of Branch Lines, costing		\$1,362,008 79
Miscellaneous Additions and Betterments, costing		10,526,182 88
		11,888,191 67
(Excluding \$1,268,260 89 expended on Chicago Line to April 30 1912, for which securities have been acquired.)		
Equipment:		
Additional equipment acquired (less retirements)		\$2,161,067 24
(Excluding \$51,140 91 expended on Chicago Line to April 30 1912, for which securities have been acquired.)		
Securities of The Chesapeake & Ohio Equipment Corporation acquired at par:		
Stock		\$1,370,000 00
Notes		7,660,000 00
		9,030,000 00
		11,191,067 24
		\$49,909,215 60

GENERAL REMARKS.

The equipment inventory as of June 30 1912 was as follows:

Locomotives owned	538	Inc.	33
Locomotives leased	255	Dec.	20
Total	793	Inc.	13
Passenger train cars owned	344	Inc.	12
Passenger train cars leased	29	Inc.	19
Total	373	Inc.	31
Freight train and miscellaneous cars owned	19,540	Inc.	1,142
Freight train cars leased	25,265	Inc.	795
Total	44,805	Inc.	1,937

The changes during the year in the reserve for accrued depreciation of equipment are as follows:

Balance to credit of account June 30 1911	\$2,075,866 17
Amount credited during year ended June 30 1912 by charges to—	
Operating expenses	\$729,247 20
Outside operations expenses	16,472 72
	\$745,719 92
Charges to account for:	
Accrued depreciation on equipment retired during year—15 locomotives, 358 freight and work cars and 2 car floats	\$29,983 10
Accrued depreciation on cars changed in class during year	1,322 68
	31,305 78
	714,414 14

Balance to credit of account June 30 1912—\$2,790,280 31

Despite the remarkable severity of the winter and the increased work which resulted, the operating ratio of your Company has decreased, and the revenues, ton miles and efficiency have increased, as an examination of the following table of facts will show:

	1912.	1911.	Increase.
Operating revenues	\$34,289,869 77	\$32,583,411 24	\$1,706,458 53
Net operating revenue	11,654,188 73	10,789,796 22	864,392 51
Operating ratio	66.%	66.9%	0.9%*
Second track mileage	477.3	420.4	56.9
Tons of revenue freight carried one mile	6,692,114,437	6,082,682,596	609,431,841
Revenue train load, tons	756	656	100
Revenue tons per loaded car	30.3	29.2	1.1

An extensive yard and terminals have been completed during the year at Silver Grove, Kentucky, about 12 miles east of Cincinnati, at a total cost of \$919,373.66. The increased facilities thus afforded for the handling of your Company's traffic over the Cincinnati Division have been much needed owing to the rapid increase in coal tonnage moved westward and should lead to further economies of operation. Yards and terminals at Summit, Ohio, and Boston, Indiana, on the Chicago Line have also been completed and put in operation at a total cost of \$701,304.79.

Extensions of the Raleigh & Southwestern, Coal River and Guyandot Valley branch lines aggregating 49.5 miles have been completed. The Island Creek Railroad, 6.6 miles, has been leased and the Logan & Southern Railway, 1.2 miles, has been acquired. The construction of all second track authorized has been completed and your Company now owns two tracks from tidewater at Newport News, Virginia, to Cincinnati, Ohio, a distance of 655 miles, except 9 miles in the mountains of West Virginia.

The coal and coke tonnage was 18,081,677, an increase of 12.3 per cent; other freight tonnage was 8,066,226, a decrease of 5.2 per cent. Total tonnage was 26,147,903 tons, an increase of 6.3 per cent. Freight revenue was \$27,261,474.53, an increase of 6.5 per cent. Freight train mileage was 8,846,617 miles, a decrease of 4.6 per cent. Revenue ton miles were 6,692,114,437, an increase of 10 per cent. Ton mile revenue was 4.07 mills, a decrease of 3.3 per cent. Revenue per freight train mile was \$3.082, an increase of 11.7 per cent. Revenue tonnage per train mile was 756 tons, an increase of 15.2 per cent; including Company's freight, the tonnage per train mile was 788 tons, an increase of 14.4 per cent. Tonnage per locomotive, including Company's freight, was 684 tons, an increase of 10.1 per cent. Revenue tonnage per loaded car was 30.3 tons, an increase of 3.8 per cent. Tons of revenue freight carried one mile per mile of road were 2,957,056, an increase of 8.4 per cent.

There were 5,489,040 passengers carried, a decrease of 2.3 per cent. The number carried one mile was 252,397,519, a decrease of 0.3 per cent. Passenger revenue was \$5,505,536.22, a decrease of 0.1 per cent. Revenue per passenger per mile was 2.181 cents, an increase of 0.2 per cent. Number of passengers carried one mile per mile of road was 111,527, a decrease of 1.8 per cent. Passenger train mileage was 5,104,754, an increase of 4.7 per cent. Passenger revenue per train mile was \$1.079, a decrease of 4.5 per cent; including mail and express it was \$1.266, a decrease of 3.9 per cent; passenger service train revenue per train mile was \$1.299, a decrease of 4.0 per cent.

There were 12,475 tons of new rails (3,956 tons 100 pounds and 8,519 tons of 90 pounds), equal to 85.5 track miles, used in the renewal of existing main tracks.

The average amount expended for repairs per locomotive operated was \$2,700.29; per passenger train car \$839.24; per freight train car \$65.33.

Mr. Edwin Hawley, a director of your Company, died on February 1 1912. He had for several years exerted a powerful influence in behalf of your interests and his connection with them has been commemorated by his associates in the resolution preceding this report.

General Thos. H. Hubbard was elected a director at the annual meeting on October 24 1911, in place of Mr. Frederic W. Scott, resigned. Mr. Frank H. Davis was elected a director and a member of the Executive Committee on February 15 1912, in place of Mr. Hawley. Mr. H. E. Huntington was elected a member of the Executive Committee on February 15 1912, in place of Mr. T. P. Shonts, resigned.

On November 1 1911, Mr. M. J. Caples was appointed Fourth Vice-President, with supervision over the operating and construction departments.

Appreciative acknowledgment is hereby made of efficient services during the year of officers and employees.

By order of the Board of Directors.

GEO. W. STEVENS, President.

FRANK TRUMBULL, Chairman.

CHESAPEAKE & OHIO LINES.
GENERAL INCOME ACCOUNT.

For Year end, June 30 1912, and Comparison with Year end, June 30 1911.

	1912.	1911.	Inc. (+) or Dec. (-).
Operating Revenues—			
From Freight Traffic	\$27,261,474 53	\$25,590,026 83	+\$1,671,447 70
" Passenger Traffic	5,505,536 22	5,512,931 94	—7,395 72
" Transport. of Mails	371,137 09	371,338 32	—201 23
" Transport. of Express	586,021 42	536,907 79	+49,113 63
" Other Transporta'n.	323,569 13	339,109 92	—15,540 79
" Non-Transportation	242,131 38	233,096 44	+9,034 94
Total Oper. Revenues	\$34,289,869 77	\$32,583,411 24	+\$1,706,458 53
Operating Expenses—			
For Maint. Way & Struc's.	\$3,981,645 67	\$4,141,571 67	—159,926 00
" Maint. of Equipment	6,724,459 75	6,198,825 27	+525,634 48
" Traffic	636,966 92	615,338 27	+21,628 65
" Transportation	10,503,415 25	10,044,172 98	+459,242 27
" General	789,193 45	793,706 83	—4,513 38
Total Oper. Expenses	\$22,635,681 04	\$21,793,615 02	+\$842,066 02
P. c. of oper. exp. to earns.	(66.0)	(66.9)	(—0.9)
Net Operating Revenue	\$11,654,188 73	\$10,789,796 22	+\$864,392 51
Income from Other Sources—			
Hire of Equipment	\$411,391 54	\$279,447 92	+\$131,943 62
Interest from Investments	1,083,225 91	954,403 62	+128,822 29
Interest, General Account	49,159 61	46,886 22	+2,273 39
Sundry Items	264,785 84	280,076 97	—15,291 13
	\$1,808,562 90	\$1,560,814 73	+\$247,748 17
Gross Income	\$13,462,751 63	\$12,350,610 95	+\$1,112,140 68
Deductions from Income—			
Interest on Funded Debt	\$7,045,261 67	\$6,506,896 21	+\$538,365 46
Int. on Equipment Trusts	297,044 82	382,651 44	—85,606 62
Taxes	1,014,219 94	1,065,853 13	—51,633 19
Rentals Leased Roads,			
Joint Tracks, &c.	775,364 55	816,816 72	—41,452 17
Rental of Leased Equipm't		246,560 00	—246,560 00
Loss on C. & O. Grain Ele-			
vator	56,654 62	55,448 62	+1,206 00
Other Deductions		48,100 00	—48,100 00
Total deductions	\$9,188,545 60	\$9,122,326 12	+\$66,219 48
Net Income	\$4,274,206 03	\$3,228,284 83	+\$1,045,921 20

Amount to credit of Profit and Loss June 30 1911.....\$1,711,100 41
Amount of Net Income for year ended June 30 1912, trans-
ferred to Profit and Loss.....4,274,206 03
\$5,985,306 44

Deduct—		
Dividend No. 20 of 1 1/4 % paid Sept. 30 1911	\$784,906 25	
Dividend No. 21 of 1 1/4 % paid Dec. 30 1911	784,906 25	
Dividend No. 22 of 1 1/4 % paid Mch. 30 1912	784,907 50	
Dividend No. 23 of 1 1/4 % paid June 29 1912	784,907 50	
	\$3,139,627 50	
Discount on Secured Gold Notes sold during year and sundry		\$2,845,678 94
adjustments		85,280 45
Balance to credit of Profit and Loss June 30 1912		\$2,760,398 49

CONDENSED BALANCE SHEET JUNE 30 1912.

ASSETS.

(Excluding Stocks and Bonds owned of the C. & O. Ry. Co. of Indiana.)

Property Investment—		
Cost of Road	\$165,183,304 04	
Cost of Equipment	33,204,770 06	
	\$198,388,074 10	
Reserved for Accrued Depreciation of		
Equipment—Cr	2,790,280 31	\$195,597,793 79
Securities of Proprietary, Affiliated and		
Controlled Companies—Pledged—		
Stocks—See Schedules	\$15,228,001 12	
Bonds—See Schedules	10,739,407 01	
	25,967,408 13	
Securities—Issued or Assumed—Pledged—		
First Lien and Impt. Mtge. 5% Bonds (see		
Contra)	22,300,000 00	
	\$48,267,408 13	
Miscellaneous Investments—		
Physical Property	\$150,607 17	
Special Funds, and Funded Debt Issued		
and Reserved—		
Potts Creek Branch—Cash	\$39,865 71	
Raleigh & Southwestern Ry. Bonds authen-		
ticated in advance of construction	40,000 00	
	\$79,865 71	\$48,497,881 01
		\$244,095,674 80
Working Assets—		
Cash in Treasury	\$1,007,448 74	
Cash in Transit	949,414 24	
Cash deposits to pay Interest and Dividends	1,009,512 40	
Cash deposits to pay Equipment Trust		
Principal	112,000 00	
Cash deposits to pay Matured Bonds and		
Equipment Notes	14,174 17	
Loans and Bills Receivable	303,344 26	
Traffic Balances	712,913 98	
Agents and Conductors	857,761 62	
Miscellaneous Accounts Receivable	664,361 36	
Other Working Assets	30,306 10	
	\$5,661,236 87	
Materials and Supplies	\$3,094,578 82	
Securities in Treasury—Unpledged—		
Stocks—See Schedules	\$2,632,032 92	
Bonds—See Schedules	1,526,901 00	
	\$4,158,933 92	
Deferred Assets—		
Unmatured Interest and Dividends	\$13,595 43	
Advances to Proprietary, Affiliated and		
Controlled Companies	2,143,469 09	
Advances, Working Funds (Past Freight		
Lines, &c.)	36,593 18	
Special Deposits with Trustees, Various		
Mortgage Funds	27,438 78	
Cash and Securities in Insurance Reserve		
Fund	10,044 35	
Sundry Accounts	963,655 84	
	\$1,194,796 67	\$14,109,546 28
Total		\$258,205,221 08

LIABILITIES.

(Excluding Stocks and Bonds owned of the C. & O. Ry. Co. of Indiana.)

Capital Stock—		
Common	\$62,792,600 00	
First Preferred	3,000 00	
Second Preferred	200 00	
	\$62,795,800 00	
Common—The Chesapeake & Ohio Railway		
Co. of Indiana	1,200 00	\$62,797,000 00

Brought forward		\$62,797,000 00
Funded Debt—		
First Consolidated Mtge. 5% Bonds 1939	\$29,858,000 00	
General Mortgage 4 1/2 % Bonds 1922	48,129,000 00	
First Mtge., Terminal, &c., 6% Bonds 1922	142,000 00	
First Mtge., R. & A. Div. 4% Bonds 1922	6,000,000 00	
Second Mtge., R. & A. Div. 4% Bonds 1929	1,000,000 00	
First Mtge., Craig Val. Brch., 5% Bds 1940	650,000 00	
First Mtge., Warm Spgs. Brch., 5% Bds 1941	400,000 00	
First Mtge., Klineon Coal Co., 5% Bds 1915	200,000 00	
First Mtge., Greenbrier Ry., 4% Bds 1940	1,859,000 00	
First Mtge., Paint Creek Brch., 4% Bds 1945	539,000 00	
First Mtge., Big Sandy Ry., 4% Bds 1944	4,672,000 00	
First Mtge., Potts Creek Brch., 4% Bds 1946	600,000 00	
Gen. Funding and Impt. 5% Bonds 1929	4,213,000 00	
First Mtge., R. & S. W. Ry., 4% Bds 1936	894,000 00	
First Mtge., Coal River Ry., 4% Bds 1945	2,499,000 00	
Convertible 4 1/2 % Bonds 1930	31,390,000 00	
Secured Gold Notes, 4 1/2 % 1914	19,500,000 00	
	\$152,545,000 00	
Equipment Trust Obligations	6,623,699 25	
		159,168,699 25
First Lien and Impt. Mtge. 5% Bonds (see Contra) 1930		22,468,000 00
		\$244,433,699 25
Working Liabilities—		
Loans and Bills Payable	\$85,000	
Traffic Balances	270,278 88	
Audited Vouchers and Pay-Rolls	3,813,411 28	
Unpaid Wages	84,941 46	
Miscellaneous Accounts Payable	147,484 56	
Interest and Dividends Unpaid	1,024,699 90	
Matured Mortgage and Secured Debt Unpaid	14,174 17	
Other Working Liabilities	77,471 59	
	\$5,517,461 84	
Deferred Liabilities—		
Unmatured Interest and Rents	\$1,799,235 98	
Taxes Accrued	571,719 86	
Sundry Accounts	127,785 07	
	\$2,498,740 91	8,016,202 75
Appropriated Surplus—		
Additions to Property through Income since		
June 30 1907	\$2,984,365 23	
Reserve Invested in Sinking Fund	511 01	
Reserve Invested in Insurance Fund	10,044 35	
	\$2,994,920 59	
Profit and Loss Balance	2,760,398 49	5,755,319 08
Total		\$258,205,221 08

This Company is also liable as a guarantor of the following securities in hands of the public—

The Chesapeake & Ohio Grain Elevator Co., First Mortgage		
4% Bonds due 1938	\$820,000 00	
Norfolk Term'l & Transp. Co., First Mtge. 5% Bonds due 1948	500,000 00	
Wester Pocahontas Corp., First Mtge. 4 1/2 % Bonds due 1945	750,000 00	
Western Pocahontas Corporation Extension Mtge. No. 1,		
4 1/2 % Bonds due 1945	83,000 00	
Western Pocahontas Corporation Extension Mtge. No. 2,		
4 1/2 % Bonds due 1946	51,000 00	
Louisville & Jeffersonville Bridge Co. Mtge. (C. & O. Prop'n,		
1-3) 4 1/2 % Bonds due 1943	4,500,000 00	
Richmond-Washington Co. Collateral Trust Mortgage (C. & O.		
Prop'n, 1-6) 4% Bonds due 1943	9,500,000 00	

COST OF PROPERTY JUNE 30 1912.

The Cost of Road as of July 1 1911 was.....\$162,874,368 29

Added for:		
Additions and Betterments during year		
ended June 30 1912:		
Branch Lines	\$236,779 22	
New Second Track	1,451,802 72	
Changes of Line and Grade	287,015 60	
Sidings and Yards	607,629 69	
Shop Buildings, Huntington, W. Va.	1,511 31	
Shop Buildings, Tools and Yard, Silver		
Grove, Ky.	221,451 82	
Enlargement of Shops and Round House,		
Russell, Ky.	1,764 83	
New Power House, Covington, Ky.	57,811 44	
Enlargement of Round House, Clifton Forge,		
Va.	9,969 73	
Electrification of shops, Clifton Forge, Va.	4,756 49	
Shops, Machinery and Tools	41,310 31	
Depots at various places	60,852 30	
Addition to Piers, Newport News, Va.	19,450 08	
Freight Depot, Charlottesville, Va.	6,100 81	
Water and Coaling Stations	65,982 35	
New Coal Pier, Newport News, Va.	207 80	
Various Other Structures	40,648 28	
Telephone Lines for Dispatching Trains	50,200 45	
Interlocking, Block and other Signals	62,168 34	
New Bridges	Cr. 39,292 19	
Ventilating Plant, Lewis Tunnel, W. Va.	7,743 83	
Turntables and Engine House Facilities	28,550 61	
Fencing Right of Way	6,628 21	
Real Estate	172,274 02	
Land Damage Claims	1,870 91	
Improved Rail and Track Appliances	109,190 82	
Increasing width of Road-bed and ballasting		
—Chicago Line	38,863 19	
	\$3,553,242 97	
Purchase of securities of subsidiary companies	3,000 00	
	\$3,556,242 97	
Less—		
Sundry Credits	6,207 22	3,550,035 75
Cost of road June 30, 1912		\$166,424,404 04

The Cost of Equipment as of July 1 1911 was.....\$33,044,306 89

Added for:		
Equipment purchased during year ended June 30 1912:		
1 Passenger Locomotive	\$25,614 05	
1 Mikado Locomotive	26,356 22	
10 Express Cars	59,062 76	
100 Flat Cars	72,173 12	
4 Flat Bottom Gondolas	4,479 47	
1 Wrecking Crane	13,348 50	
190 50-ton Coal Cars (from Island Creek RR.)	169,756 71	
2 Passenger Cars (from Island Creek RR.)	4,035 84	
3 Locomotives (from Island Creek RR.)	34,001 92	
Improvement of Equipment	102,914 15	
	\$511,742 74	
Less:		
Value of Equipment retired:		
15 Locomotives	\$129,966 57	
342 Freight Cars	188,506 32	
16 Work Cars	8,447 70	
1 Car Float	16,500 00	
1 Float	7,858 98	351,279 57

Total Additions for the Year	\$160,463 17
Cost of Equipment June 3 1912	\$33,204,770 06
Total Cost of Road and Equipment	\$199,629,174 10
Amount deducted from Cost of Road and Equipment on	
account of difference between face value of securities	
of auxiliary companies and the prices at which they	
were taken over	1,241,100 00
Cost of Road and Equipment June 30 1912, as per Bal-	
ance Sheet	\$198,388,074 10

The Commercial Times.

COMMERCIAL EPITOME.

Friday Night, Sept. 20 1912.

There is growing evidence that consumption in many industries is overtaking production. Premiums are being paid for prompt delivery of iron and steel. General business is increasing. For some time now the weekly bank exchanges have shown increases not only over those of last year, but over those of 1910. In some trades labor is scarce. The August foreign trade was unusually large. Money is firm. Gold has been imported for the first time in two years. Disbursements for industrial dividends and interest in October are expected to show a large increase. The feeling is becoming increasingly confident in the mercantile community of the United States.

LARD, after weakening, has latterly become stronger. Western \$11 30; Middle Western \$11 20; refined Continent \$11 75; South America \$12 45; Brazil \$13 45. Speculation has latterly been more active and with the tone stronger, owing to an advance in the hog market and also in corn. In the West there has been some increase in the cash demand. Covering in the January delivery has been rather active, and Europe and foreign buying has been something of a feature. Some selling by packers, but mostly by scattered holders.

DAILY CLOSING PRICES OF LARD FUTURES IN CHICAGO.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
September delivery	11.10	10.95	10.77 1/2	10.77 1/2	10.90	11.03
October delivery	11.15	11.00	10.82 1/2	10.82 1/2	10.92 1/2	11.05
December delivery	10.70	10.65	10.55	10.57 1/2	10.65	10.77 1/2

PORK quiet and firm; mess \$20 @ \$20 50, clear \$19 75 @ \$22, family \$20 25 @ \$21 25. Beef moderately active and stronger. Stocks continue light. Mess \$17 50 @ \$18, packet \$18 @ \$19, family \$21 50 @ \$22, extra India mess \$36 @ \$36 50. Cut meats firm; pickled hams, 10 to 20 lbs., 13 @ 13 1/2 c.; pickled bellies, 6 to 12 lbs., 14c. Butter, creamery extras, 30 1/2 @ 31c. Cheese, State whole milk new white specials, 16 @ 16 1/4 c. Eggs, fresh gathered extras, 30 @ 32c.

OIL.—Linseed firm and moderately active; City, raw American seed, 69 @ 70c.; boiled, 70 @ 71c.; Calcutta, 78c. Cottonseed oil weaker; summer white 6.40 @ 7.50c. Coconut oil continues steady. Spot offerings light. Cochin, 10 1/4 @ 10 1/2 c.; Ceylon, 9 @ 9 1/2. Chinawood firm at 9 @ 10c. Corn steady at 6.10 @ 6.15c. Cod steady at 40 @ 44c. for dom.

COFFEE has been rather quiet, though the warehouse deliveries have made a pretty good exhibit. No. 7 Rio has receded to 14 1/2 c. Mild growths have been comparatively steady, but have met with only moderate demand; fair to good Ccuta 16 1/2 @ 16 3/4 c. The speculation in coffee futures has latterly simmered down after the recent activity, and prices have declined at home and abroad. Even Brazilian markets have fallen with the disappearance of frost. The temperatures of late in the State of Sao Paulo has been 54 to 90 degrees. Stocks at Rio and Santos are far larger than those of a year ago. The recent damage to the Santos crop by frost is variously estimated at 10 to 25%. Large trade interests here are bullish. Many others act shy of the buying side. The following are closing quotations:

September 13.85 @ 13.88	January 13.73 @ 13.75	May 13.75 @ 13.76
October 13.75 @ 13.76	February 13.71 @ 13.73	June 13.73 @ 13.74
November 13.75 @ 13.76	March 13.72 @ 13.73	July 13.71 @ 13.72
December 13.75 @ 13.76	April 13.74 @ 13.75	August 13.71 @ 13.72

SUGAR.—Raw has been steady. European beet prices have been easier. Receipts have latterly been light at Atlantic ports. Centrifugal, 96-degrees test, 4.36c.; muscovado, 89-degrees test, 3.86c.; molasses, 89-degrees test, 3.61c. Refined, quiet, though recently there has been a fair withdrawal demand reported. Granulated 5.10c.

PETROLEUM.—Refined active and firm. The domestic demand has been very good and the foreign demand would also have shown increased activity were it not for the high ocean freight rates. Barrels, 8.35c.; bulk 4.75c. and cases 10.25c. Naphthas firm; 73 to 76 degrees, in 100-gallon drums, 22c.; drums \$8 50 extra. Spirits of turpentine 41 @ 41 1/2 c. Common to good strained rosin \$6 55.

TOBACCO.—Most of the business has been in New England binder, of which the supply is small. Buyers show a readiness to pay current quotations. Fillers have been quiet. It is understood that the stocks of Pennsylvania and Ohio fillers remaining unsold are rather large. Sumatra meets with a fair demand. At the last inscription sale across the water 1,000 bales were sold for shipment to America at prices somewhat lower than the inscription of last spring. Havana tobacco meets with a good demand for the new crop, which is of good quality. The tobacco market as a whole, is quiet. There are buyers in town, but as a rule they are disinclined to purchase beyond immediate needs.

COPPER has been steady but rather quiet; Lake 17 1/2 c., electrolytic 17.55 @ 17.60c. The buying has been less active, both for home and foreign trade. Lead in better demand at 5.10c. Spelter firmer at 7c. here and 7 1/2 c. in St. Louis. Tin has latterly been in good demand and firm at 49 1/2 c. on the spot. Iron firm; No. 1 Northern \$16 50 @ \$17 25. Iron and steel markets have been very strong. In some districts pig iron has advanced. Finished material shows a rising tendency. Large producers are unable to take further business for 1912 delivery in the chief products of steel. Bessemer sold at Pittsburgh for next year's delivery at \$15 50. At Chicago \$17 50 is demanded for foundry. Eastern Pennsylvania No. 2 advanced to \$16 50.

COTTON.

Friday Night, July 19 1912.

THE MOVEMENT OF THE CROP, as indicated by our telegrams from the South to-night, is given below. For the week ending this evening the total receipts have reached 258,453 bales, against 194,505 bales last week and 121,123 bales the previous week, making the total receipts since Sept. 1 1912 558,970 bales, against 713,110 bales for the same period of 1911, showing a decrease since Sept. 1 1912 of 154,140 bales.

Receipts at—	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.	Total.
Galveston	18,751	24,792	38,734	26,023	15,102	20,531	143,933
Texas City	1,303	959	2,233	6,414	2,872	1,811	15,592
Pt. Arthur, &c.	—	—	—	—	—	—	—
New Orleans	395	1,722	1,050	3,678	1,865	1,724	10,434
Mobile	722	1,575	682	1,657	437	1,132	6,205
Jacksonville, &c.	37	—	—	—	—	108	145
Savannah	4,996	8,183	6,664	4,999	4,097	5,469	34,408
Brunswick	—	5,000	—	—	—	12,000	17,000
Charleston	1,311	3,816	1,219	1,767	1,288	1,793	11,194
Wilmington	333	1,439	2,385	1,069	1,931	2,211	9,363
Norfolk	706	1,290	2,817	1,526	1,420	1,401	9,160
N'port News, &c.	—	—	—	—	—	644	644
New York	—	—	—	—	—	—	—
Boston	—	23	29	—	13	7	72
Baltimore	—	—	—	—	—	298	298
Philadelphia	—	—	—	—	—	—	—
Totals this week	28,554	48,799	55,813	47,133	29,025	49,129	258,453

The following shows the week's total receipts, the total since Sept. 1 1912, and the stocks to-night, compared with last year:

Receipts to Sept. 20.	1912.		1911.		Stock.	
	This Week.	Since Sep 1 1912.	This Week.	Since Sep 1 1911.	1912.	1911.
Galveston	143,933	372,241	139,461	358,817	189,153	128,089
Texas City	15,592	22,758	—	—	16,845	—
Port Arthur, &c.	—	—	862	2,124	—	—
New Orleans	10,434	15,450	14,863	24,741	29,867	32,270
Mobile	6,205	9,065	7,437	13,978	9,258	12,342
Jacksonville, &c.	145	145	132	713	145	—
Savannah	34,408	66,983	94,952	212,699	43,351	72,872
Brunswick	17,000	22,750	11,325	14,025	14,355	13,197
Charleston	11,194	16,584	22,199	34,375	13,240	22,897
Wilmington	9,368	15,656	19,369	27,027	13,632	18,623
Norfolk	9,160	14,270	16,458	23,047	17,058	13,780
N'port News, &c.	644	1,127	—	—	—	—
New York	—	—	—	362	123,540	92,109
Boston	72	425	—	92	2,065	3,344
Baltimore	298	1,516	573	1,110	798	2,678
Philadelphia	—	—	—	—	2,438	2,118
Total	258,453	558,970	327,633	713,110	475,745	414,319

In order that comparison may be made with other years, we give below the totals at leading ports for six seasons:

Receipts at—	1912.	1911.	1910.	1909.	1908.	1907.
Galveston	143,933	139,471	123,567	123,567	109,501	73,945
Texas City, &c.	15,592	862	897	1,526	641	384
New Orleans	10,434	14,863	10,758	18,985	26,191	17,479
Mobile	6,205	7,437	6,311	7,452	13,010	6,674
Savannah	34,408	94,952	59,404	84,380	73,743	68,302
Brunswick	17,000	11,325	3,558	14,600	10,850	11,986
Charleston, &c.	11,194	22,199	11,711	16,048	12,769	8,144
Wilmington	9,368	19,369	16,636	23,981	23,401	23,976
Norfolk	9,160	16,458	8,902	14,776	14,203	9,203
N'port N., &c.	644	—	78	278	179	108
All others	515	707	736	619	1,992	911
Total this wk.	258,453	327,633	242,558	278,584	286,480	221,112
Since Sept. 1.	558,970	713,110	535,490	715,615	681,637	514,175

The exports for the week ending this evening reach a total of 172,593 bales, of which 81,064 were to Great Britain, 38,630 to France and 52,879 to the rest of the Continent. Below are the exports for the week and since Sept. 1 1912:

Exports from—	Week ending Sept. 20 1912.				From Sept. 1 1912 to Sept. 20 1912.			
	Great Britain	France	Continent.	Total.	Great Britain	France	Continent.	Total.
Galveston	54,348	24,186	30,940	109,474	110,524	34,933	70,742	216,200
Texas City	—	6,090	—	6,090	—	6,090	—	6,090
New Orleans	4,941	—	1,259	6,200	4,941	321	2,919	8,189
Mobile	199	—	—	199	199	—	—	199
Savannah	4,219	6,006	—	10,225	4,324	6,000	—	10,333
Brunswick	7,200	—	—	7,200	7,200	—	—	7,200
Charleston	—	—	3,400	3,400	—	—	3,400	3,400
New York	7,679	2,345	11,821	21,845	26,818	3,320	21,335	51,473
Boston	2,000	—	—	2,000	3,008	—	—	3,008
Baltimore	498	—	4,551	5,057	498	—	8,220	8,718
Philadelphia	—	—	—	—	—	—	—	—
San Fran.	—	—	900	900	—	—	900	900
Total	81,084	38,630	52,879	172,593	157,511	50,681	107,516	315,710
Total 1911	81,270	29,507	80,681	191,478	199,327	73,341	185,708	458,376

Note.—New York exports since Sept. 1 include 3,310 bales Peruvian to Liverpool.

In addition to above exports, our telegrams to-night also give us the following amounts of cotton on shipboard, not cleared, at the ports named. We add similar figures for New York.

Sept. 20 at—	On Shipboard, Not Cleared for—					Leaving Stock.
	Great Britain	France	Germany.	Other Foreign	Coast-wise.	
New Orleans	471	3,245	529	469	—	25,153
Galveston	42,042	10,371	32,156	18,375	3,957	82,252
Savannah	—	—	3,678	—	—	39,673
Charleston	—	—	—	—	—	13,240
Mobile	1,150	—	—	—	250	7,858
Norfolk	—	—	—	—	12,000	5,058
New York	4,000	800	1,500	1,200	—	116,040
Other ports	8,000	—	5,000	2,000	—	35,278
Total 1912	55,663	14,416	42,833	22,044	16,207	324,552
Total 1911	68,208	12,243	38,403	22,488	7,908	265,069
Total 1910	38,390	10,305	25,674	10,982	13,056	159,070

Speculation in cotton for future delivery has been moderately active at irregular prices. Lately, however, they have shown an upward tendency. This was owing largely to a better spot situation at home and abroad. The spot sales in Liverpool have risen at times to 8,000 and 10,000 bales a day. Manchester, moreover, has been active. English spinners have not been buying much cotton it is declared for the last few months. It is, therefore, assumed that it is about time for them to re-enter the market and buy on a larger scale. Reports of damage in parts of the belt by army worms and boll-weevil have also had more or less effect. Some bullish private crop reports have been issued showing decreases within a month in the condition of the plant of 5 to 6 per cent. The condition in these reports have been about 70 per cent. At one time frost was predicted for Oklahoma. This had some effect, particularly as frost had undoubtedly invaded the Southwestern corn section. It was feared for a moment that it might possibly strike down in Texas or Oklahoma. Liverpool has now and then been a pretty good buyer here. There has been less pressure from spot interests which recently were large sellers. The weekly Government weather report said in substance that rain was needed over a considerable area of the belt. Several Memphis and New Orleans newspapers have published bullish crop reports. One in Memphis stated that the crop within a month had gone backward 20%, and in the main agreed with the recent National Ginners' report as to the unfavorable outlook for the crop, adding that rain would now do more harm than good and pointing to a crop about 3,000,000 bales smaller than that of last year. Large spot interests of late have been good buyers in Liverpool. There has been less pressure to sell the actual cotton there. The export demand in North Carolina is said to have increased. The domestic demand has also apparently improved in various parts of the South. The reports in regard to the cotton goods business in this country are in the main encouraging. As regards the crop, it is still considered two to three weeks late in many sections, so that a comparatively late frost is desirable. A good deal of shedding continues to be reported. The condition of things east of the Mississippi River is very generally regarded as worse than that west of the river. Shorts have lately showed a disposition to cover. This has contributed materially to the advance in prices. Large bull interests have given the market support from time to time. At times Waldorf-Astoria operators have covered. This includes some of the largest of these operators who recently made a very successful assault on the market, but covered quickly and quietly before many woke up to the fact. On the other hand, speculation is most professional. The movement of the crop in Texas is large. It is expected to increase materially in other parts of the belt in the near future. As the crops in India, Egypt and Russia are larger to all appearance than those of last year, it is argued that during the present season Europe will be more independent of America for cotton supplies than it was last season. At the same time it is insisted that Texas is going to raise a larger crop than last year. To not a few it seems perfectly clear that the crop this season will be of a size second only to that of last year, and may approximate 14,000,000 bales—some say 14,750,000 to 15,000,000 bales—which, with the reserves carried over from last season it is argued will be more than requisite to meet the demands of the world. To-day prices advanced on firm cables, reports of storms off Florida and in Texas, and covering of shorts. English and Continental spinners are said to be sold ahead for 5 or 6 months. Spot cotton closed at 11.85c. for middling uplands, showing a decline for the week of 5 points.

The rates on and off middling, as established Sept. 11 1912 by the Revision Committee, at which grades other than middling may be delivered on contract, are as follows:

Fair	1.50 on	Middling	1.50 on	Good mid. tinged	1.50 on	Even	1.50 on
Strict mid. fair	1.30 on	Strict low mid.	0.35 off	Strict mid. tinged	0.15 off	Strict mid. tinged	0.15 off
Middling fair	1.10 on	Low middling	0.80 off	Middling tinged	0.30 off	Strict low mid. tinged	0.30 off
Strict good mid.	0.68 on	Strict good ord.	1.40 off	Strict low mid. tinged	0.80 off	Good mid. tinged	0.80 off
Good middling	0.46 on	Good ordinary	2.15 off	Low mid. tinged	1.90 off	Good mid. tinged	1.90 off
Strict middling	0.24 on	Strict g'd mid. tinged	0.35 on	Middling stained	0.90 off	Good mid. tinged	0.90 off

The official quotation for middling upland cotton in the New York market each day for the past week has been:

Sept. 14 to Sept. 20—	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
Middling uplands	11.90	11.75	11.75	11.90	11.85	11.85

NEW YORK QUOTATIONS FOR 32 YEARS.

The quotations for middling upland at New York on Sept. 20 for each of the past 32 years have been as follows:

1912	11.85	1904	11.10	1896	8.62	1888	10.44
1911	11.20	1903	11.75	1895	8.25	1887	9.75
1910	13.75	1902	9.00	1894	6.69	1886	9.38
1909	13.00	1901	8.38	1893	8.25	1885	10.06
1908	9.50	1900	10.50	1892	7.31	1884	10.38
1907	12.25	1899	6.44	1891	8.38	1883	10.38
1906	9.75	1898	5.62	1890	10.44	1882	12.44
1905	10.85	1897	6.88	1889	11.25	1881	11.88

MARKET AND SALES AT NEW YORK.

	Spot Market Closed.	Futures Market Closed.	SALES.		
			Spot.	Contr't	Total.
Saturday	Quiet	E sy			
Monday	Quiet 15 pts dec	Steady	267	100	367
Tuesday	Quiet	Steady			
Wednesday	Quiet 15 pts adv	Steady	366		366
Thursday	Quiet 5 pts dec	Steady	81		81
Friday	Quiet	Steady			
Total			714	100	814

FUTURES.—The highest, lowest and closing prices at New York the past week have been as follows:

	Monday: Sept. 16.	Tuesday: Sept. 17.	Wednesday: Sept. 18.	Thursday: Sept. 19.	Friday: Sept. 20.	Week.
September. Range	11.38-11.40	11.12-11.14	11.15-11.18	11.26-11.30	11.27-11.29	11.31-11.33
Oct. Range	11.47@11.57	11.19@11.42	11.15@11.37	11.24@11.37	11.28@11.42	11.28@11.38
Closing	11.46-11.48	11.21-11.22	11.18-11.20	11.32-11.33	11.28-11.30	11.35-11.36
Nov. Range	11.59-11.61	11.48@11.49	11.35-11.37	11.45-11.46	11.43-11.45	11.49-11.51
Dec. Range	11.67@11.80	11.43@11.63	11.37@11.63	11.47@11.62	11.52@11.67	11.50@11.65
Closing	11.67-11.68	11.44-11.46	11.43-11.44	11.58-11.59	11.55-11.57	11.61-11.64
Jan. Range	11.61@11.74	11.38@11.57	11.35@11.58	11.45@11.61	11.50@11.67	11.50@11.65
Closing	11.61-11.62	11.38-11.39	11.40-11.42	11.57-11.58	11.53-11.56	11.63-11.64
Feb. Range	11.67-11.68	11.50@11.64	11.47-11.48	11.63-11.65	11.61-11.62	11.70-11.71
Closing	11.67-11.68	11.50@11.64	11.47-11.48	11.63-11.65	11.61-11.62	11.70-11.71
Mar. Range	11.75@11.90	11.52@11.72	11.50@11.71	11.59@11.76	11.67@11.82	11.67@11.85
Closing	11.76-11.78	11.53-11.54	11.54-11.55	11.73-11.74	11.69-11.71	11.78-11.80
Apr. Range	11.76-11.78	11.53-11.54	11.54-11.55	11.73-11.74	11.69-11.71	11.78-11.80
Closing	11.76-11.78	11.53-11.54	11.54-11.55	11.73-11.74	11.69-11.71	11.78-11.80
May Range	11.86@11.98	11.60@11.80	11.60@11.80	11.68@11.84	11.76@11.87	11.75@11.89
Closing	11.85-11.87	11.60-11.61	11.64-11.65	11.80-11.82	11.77-11.78	11.87-11.89
June Range	11.85-11.87	11.60-11.61	11.64-11.65	11.80-11.82	11.77-11.78	11.87-11.89
Closing	11.85-11.87	11.60-11.61	11.64-11.65	11.80-11.82	11.77-11.78	11.87-11.89
July Range	11.86@11.98	11.72@11.82	11.70@11.80	11.80@11.82	11.76@11.92	11.80@11.88
Closing	11.86-11.87	11.72-11.73	11.70-11.71	11.80-11.81	11.76-11.77	11.80-11.81
Aug. Range	11.86-11.87	11.72-11.73	11.70-11.71	11.80-11.81	11.76-11.77	11.80-11.81
Closing	11.86-11.87	11.72-11.73	11.70-11.71	11.80-11.81	11.76-11.77	11.80-11.81

AT THE INTERIOR TOWNS the movement—that is, the receipts for the week and since Sept. 1, the shipments for the week and the stocks to-night, and the same items for the corresponding period for the previous year—is set out in detail below.

Towns.	Movement to September 22 1911.				Movement to September 20 1912.			
	Receipts.		Shipments.		Receipts.		Shipments.	
	Week.	Season.	Week.	Sept. 22.	Week.	Season.	Week.	Sept. 20.
Ala.	1,200	2,633	1,094	600	1,200	2,633	1,094	600
Ark.	8,048	14,369	5,954	5,220	8,048	14,369	5,954	5,220
Cal.	5,501	9,146	4,645	2,337	5,501	9,146	4,645	2,337
Fla.	116	151	39	466	116	151	39	466
Ga.	1,665	5,225	1,761	904	1,665	5,225	1,761	904
Ill.	635	722	240	1,152	635	722	240	1,152
Ind.	273	785	123	786	273	785	123	786
Iowa	8,091	17,416	5,339	18,709	8,091	17,416	5,339	18,709
Kent.	2,125	4,739	1,175	2,164	2,125	4,739	1,175	2,164
La.	913	1,395	688	1,284	913	1,395	688	1,284
Miss.	4,256	6,854	1,078	6,392	4,256	6,854	1,078	6,392
Mo.	535	728	267	46	535	728	267	46
Neb.	1,336	2,155	1,078	633	1,336	2,155	1,078	633
N.J.	1,336	2,155	1,078	633	1,336	2,155	1,078	633
N.Y.	1,336	2,155	1,078	633	1,336	2,155	1,078	633
Ohio	1,336	2,155	1,078	633	1,336	2,155	1,078	633
Penn.	1,336	2,155	1,078	633	1,336	2,155	1,078	633
S.C.	1,336	2,155	1,078	633	1,336	2,155	1,078	633
Tenn.	1,336	2,155	1,078	633	1,336	2,155	1,078	633
Texas	1,336	2,155	1,078	633	1,336	2,155	1,078	633
W. Va.	1,336	2,155	1,078	633	1,336	2,155	1,078	633
Wash.	1,336	2,155	1,078	633	1,336	2,155	1,078	633
Wis.	1,336	2,155	1,078	633	1,336	2,155	1,078	633
Wyo.	1,336	2,155	1,078	633	1,336	2,155	1,078	633
Total, 33 towns.	201,915	480,741	160,038	184,619	201,915	480,741	160,038	184,619

*Last year's figures are for Louisville, Ky.

OVERLAND MOVEMENT FOR THE WEEK AND SINCE SEPT. 1.—We give below a statement showing the overland movement for the week and since Sept. 1, as made up from telegraphic reports Friday night. The results for the week and since Sept. 1 in the last two years are as follows:

Shipped—	1912		1911	
	Week.	Since Sept. 1.	Week.	Since Sept. 1.
Via St. Louis	1,122	2,820	1,434	2,817
Via Cairo	87	520	2,400	2,866
Via Rock Island	50	50	100	100
Via Louisville	291	707	478	1,738
Via Cincinnati	183	1,102	—	27
Via Virginia points	1,284	2,736	720	2,025
Via other routes, &c.	541	1,110	829	1,553
Total gross overland	3,531	10,045	5,961	11,126
Deduct shipments—				
Overland to N. Y., Boston, &c.	370	1,941	575	1,564
Between interior towns	324	617	427	641
Inland, &c., from South	1,917	4,860	1,758	4,745
Total to be deducted	2,611	7,418	2,760	6,950
Leaving total net overland*	920	2,627	3,201	4,176

* Including movement by rail to Canada. a Revised.

The foregoing shows the week's net overland movement has been 920 bales, against 3,201 bales for the week last year, and that for the season to date the aggregate net overland exhibits a decrease from a year ago of 1,549 bales.

In Sight and Spinners' Takings.	1912		1911	
	Week.	Since Sept. 1.	Week.	Since Sept. 1.
Receipts at ports to Sept. 20	258,453	558,970	327,633	713,110
Net overland to Sept. 20	920	2,627	3,201	4,176
South'n consumption to Sept. 20	56,000	160,000	35,000	106,000

Total marketed	315,373	721,597	365,834	823,286
Interior stocks in excess	41,877	87,583	61,628	117,024
Came into sight during week	357,250	—	427,462	—
Total in sight Sept. 20	—	809,180	—	940,310

North'n spinners' takings to Sept. 20 20,433 56,542 31,108 71,061

Movement into sight in previous years.

Week—	Bales.	Since Sept. 1—	Bales.
1910—Sept. 23	309,124	1910—Sept. 23	697,128
1909—Sept. 24	380,084	1909—Sept. 24	1,005,956
1908—Sept. 26	385,948	1908—Sept. 26	934,919

QUOTATIONS FOR MIDDLING COTTON AT OTHER MARKETS.—Below are the closing quotations of middling cotton at Southern and other principal cotton markets for each day of the week:

Week ending Sept. 20.	Closing Quotations for Middling Cotton on—					
	Sat'day.	Monday.	Tuesday.	Wed'day.	Thurs'day.	Friday.
Galveston	11 1/4	11 11-16	11 9-16	11 1/4	11 1/4	11 1/4
New Orleans	11 3/4	11 3/4	11 3/4	11 3/4	11 3/4	11 3/4
Mobile	11 5-16	11 5-16	11 3-16	11 3-16	11 5-16	11 5-16
Savannah	11 1/4	11 1/4	11 1/4	11 1/4	11 1/4	11 1/4
Charleston	11 1/4	11 7-16	11 7-16	11 1/4	11 1/4	11 1/4
Wilmington	11 1/4	11 1/4	11 1/4	11 1/4	11 1/4	11 1/4
Norfolk	11 1/4	11 1/4	11 1/4	11 1/4	11 1/4	11 1/4
Baltimore	11 1/4	11 1/4	11 1/4	11 1/4	11 1/4	11 1/4
Philadelphia	12 1/5	12 00	12 00	12 1/5	12 1/5	12 1/5
Augusta	11 11-16	11 1/4	11 9-16	11 1/4	11 1/4	11 1/4
Memphis	11 3/4	11 3/4	11 3/4	11 3/4	11 3/4	11 3/4
St. Louis	11 3/4	11 3/4	11 3/4	11 3/4	11 3/4	11 3/4
Houston	11 3/4	11 3/4	11 9-16	11 3/4	11 3/4	11 3/4
Little Rock	11 1/4	11 1/4	11 3-16	11 1/4	11 1/4	11 1/4

NEW ORLEANS OPTION MARKET.—The highest, lowest and closing quotations for leading options in the New Orleans cotton market for the last week have been as follows:

	Sat'day, Sept. 14.	Monday, Sept. 16.	Tuesday, Sept. 17.	Wed'day, Sept. 18.	Thursd'y, Sept. 19.	Friday, Sept. 20.
Sept.—						
Range -----	@	@	11.40	11.56	@	11.44
Closing -----	11.42-.43	11.24-.27	11.31-.33	11.54	11.51	11.48-.51
Oct.—						
Range -----	11.58-.71	11.32-.53	11.31-.50	11.40-.56	11.47-.60	11.41-.59
Closing -----	11.57-.58	11.32-.33	11.41-.42	11.54-.55	11.51-.52	11.56-.57
Nov.—						
Range -----	—	—	—	—	—	—
Closing -----	11.65-.67	11.42-.44	11.46-.48	11.63-.65	11.59-.61	11.67-.69
Dec.—						
Range -----	11.67-.83	11.41-.65	11.42-.63	11.52-.68	11.58-.75	11.56-.74
Closing -----	11.67	11.44-.45	11.51-.52	11.67-.68	11.63-.64	11.70-.71
Jan.—						
Range -----	11.72-.90	11.46-.71	11.48-.68	11.56-.74	11.65-.81	11.62-.80
Closing -----	11.72-.73	11.48-.49	11.56-.57	11.73-.74	11.69-.70	11.76-.77
Feb.—						
Range -----	—	—	—	—	—	—
Closing -----	11.75-.77	11.50-.52	11.58-.60	11.75-.77	11.71-.73	11.78-.80
Mch.—						
Range -----	11.88-.06	11.65-.86	11.67-.81	11.75-.90	11.82-.98	11.82-.98
Closing -----	11.88-.90	11.65-.66	11.74-.75	11.90-.91	11.86-.87	11.94-.95
May						
Range -----	11.99-.15	11.74-.95	11.77-.95	11.87-.01	11.93-.06	11.95-.00
Closing -----	11.98-.99	11.77-.78	11.85-.86	12.00-.02	11.97-.98	12.04-.05
July—						
Range -----	—	—	—	—	—	—
Closing -----	12.08-.10	11.86-.87	11.95-.96	12.10-.12	12.06-.08	12.14-.16
Tone—						
Spot -----	Firm.	Quiet.	Easy.	Steady.	Steady.	Steady.
Options -----	Steady.	Steady.	Steady.	Steady.	Steady.	Steady.

WEATHER REPORTS BY TELEGRAPH.—Telegraphic advices to us this evening from the South denote that rain has been quite general during the week and beneficial for the most part. Picking has made good progress and the movement of cotton to market is becoming liberal.

Galveston, Tex.—There has been rain on two days during the week, the rainfall reaching forty-four hundredths of an inch. The thermometer has averaged 85, the highest being 93 and the lowest 76.

Abilene, Tex.—There has been rain on two days of the week, the rainfall being thirteen hundredths of an inch. Minimum thermometer 60.

Brenham, Tex.—We have had no rain during the week. The thermometer has ranged from 70 to 100, averaging 85.

Cuero, Tex.—It has rained on one day of the week, the rainfall being twenty hundredths of an inch. Average thermometer 85, highest 102, lowest 68.

Dallas, Tex.—There has been rain on two days during the week, the rainfall reaching eighty-four hundredths of an inch. The thermometer has averaged 79, the highest being 98 and the lowest 60.

Henrietta, Tex.—There has been rain on four days of the week, the rainfall being one inch and ten hundredths. The thermometer has averaged 75, ranging from 56 to 94.

Huntsville, Tex.—It has been dry all the week. The thermometer has ranged from 68 to 98, averaging 83.

Kerrville, Tex.—There has been good rain on one day during the week, the rainfall reaching one inch and twelve hundredths. Average thermometer 81, highest 98, lowest 64.

Lampasas, Tex.—There has been no rain the past week. The thermometer has averaged 79, the highest being 98 and the lowest 60.

Longview, Tex.—There has been light rain on one day of the week, the rainfall being twelve hundredths of an inch. The thermometer has averaged 78, ranging from 62 to 94.

Luling, Tex.—There has been rain on one day during the week, to the extent of fifty hundredths of an inch. The thermometer has ranged from 72 to 100, averaging 86.

Nacogdoches, Tex.—There has been no rain during the week. Average thermometer 77, highest 96 and lowest 58.

Palestine, Tex.—There has been rain on two days of the week, the precipitation reaching eighty-four hundredths of an inch. The thermometer has averaged 80, the highest being 98 and the lowest 62.

Paris, Tex.—There has been light rain on one day of the week, the rainfall being ten hundredths of an inch. The thermometer has averaged 76, ranging from 56 to 96.

San Antonio, Tex.—We have had rain on one day the past week, the rainfall being sixty-four hundredths of an inch. The thermometer has ranged from 72 to 98, averaging 85.

Weatherford, Tex.—There has been rain on one day of the week, the rainfall reaching twenty-eight hundredths of an inch. Average thermometer 79, highest 96, lowest 62.

Ardmore, Okla.—There has been rain on three days during the week, the rainfall reaching two inches and sixty-six hundredths. The thermometer has averaged 76, the highest being 98 and the lowest 54.

Marlow, Okla.—There has been rain on four days of the week, the rainfall being two inches and sixty-five hundredths. The thermometer has averaged 71, ranging from 54 to 88.

Tulsa, Okla.—It has rained on four days of the week, with rainfall to the extent of three inches and fifty hundredths. The thermometer has ranged from 51 to 80, averaging 66.

Alexandria, La.—There has been rain on one day during the week, the rainfall reaching ten hundredths of an inch. Average thermometer 80, highest 97, lowest 64.

New Orleans, La.—There has been rain on three days of the week, the precipitation reaching eighteen hundredths of an inch. The thermometer has averaged 84, the highest being 93 and the lowest 74.

Shreveport, La.—There has been no rain during the week. The thermometer has averaged 80, ranging from 62 to 98.

Eldorado, Ark.—It has rained on one day of the week, the precipitation reaching eighty-seven hundredths of an inch. The thermometer has ranged from 56 to 94, averaging 75.

Helena, Ark.—Worms and shedding are complained of. It has rained on three days of the week, the rainfall being two inches and fifty hundredths. Average thermometer 75, highest 89, lowest 52.

Little Rock, Ark.—There has been rain on two days of the week, the precipitation reaching fifty-six hundredths of an inch. The thermometer has averaged 73, the highest being 89 and the lowest 57.

Columbus, Miss.—We have had rain on four days the past week, the rainfall being one inch and seventy-three hundredths. The thermometer has averaged 77, ranging from 57 to 96.

Meridian, Miss.—It has rained on five days of the week, the precipitation reaching two inches and eight hundredths. The thermometer has ranged from 62 to 90, averaging 76.

Vicksburg, Miss.—It has rained on one day of the week to the extent of eleven hundredths of an inch. Average thermometer 78, highest 91, lowest 63.

Mobile, Ala.—There has been rain on four days the past week. The rainfall reached three inches and twenty-nine hundredths. The thermometer has averaged 78, the highest being 88 and the lowest 68. Crop reports are good.

Montgomery, Ala.—Rain has fallen on three days of the past week, the rainfall reaching two inches and three hun-

dredths. The thermometer has averaged 76, ranging from 61 to 91.

Selma, Ala.—We have had rain on three days the past week, the rainfall being one inch and eighty-two hundredths. The thermometer has ranged from 61 to 87, averaging 76.

Augusta, Ga.—There has been rain on three days of the week, the rainfall reaching thirty-two hundredths of an inch. Average thermometer 78, highest 94, lowest 61.

Savannah, Ga.—There has been rain on two days during the week, the precipitation reaching fourteen hundredths of an inch. The thermometer has averaged 82, the highest being 93 and the lowest 70.

Washington, Ga.—There has been rain on one day of the past week, the rainfall reaching seven hundredths of an inch. The thermometer has averaged 77, ranging from 59 to 95.

Charleston, S. C.—We have had rain on one day during the week, the rainfall being seventy-nine hundredths of an inch. The thermometer has ranged from 68 to 92, averaging 80.

Greenville, S. C.—There has been rain on three days during the week, the precipitation being thirty-three hundredths of an inch. Average thermometer 75, highest 88, and lowest 47.

Spartanburg, S. C.—There has been rain on two days during the week, the precipitation being twenty-nine hundredths of an inch. The thermometer has averaged 75, the highest being 93, and the lowest 51.

Gainesville, Fla.—Rain has fallen on three days of the week, the rainfall reaching one inch and thirty-three hundredths. The thermometer has averaged 82, ranging from 69 to 93.

Madison, Fla.—There has been one shower during the week. The thermometer has ranged from 73 to 90, averaging 82.

Tallahassee, Fla.—Rain has fallen on one day of the week. The rainfall reached thirty-five hundredths of an inch. Average thermometer 78, highest 87, lowest 68.

Dyersburg, Tenn.—There has been rain on one day during the week, the rainfall reaching one inch and seventy hundredths. The thermometer has averaged 70, ranging from 49 to 90.

Memphis, Tenn.—There has been rain on four days during the week, the rainfall being sixty-five hundredths of an inch. The thermometer has ranged from 58 to 87, averaging 75. Army worms are doing some damage.

Nashville, Tenn.—Rain on two days of the week, to the extent of one inch and forty hundredths. Average thermometer 70, highest 90, lowest 50.

Charlotte, N. C.—There has been rain on one day during the week, the precipitation being eight hundredths of an inch. The thermometer has averaged 74, the highest being 89 and the lowest 59.

Raleigh, N. C.—Rain has fallen on three days the past week, the rainfall reaching one inch and fourteen hundredths. Thermometer has averaged 76, ranging from 62 to 90.

INDIA COTTON MOVEMENT FROM ALL PORTS.

Sept. 19. Receipts at—	1912.		1911.		1910.	
	Week.	Since Sept. 1.	Week.	Since Sept. 1.	Week.	Since Sept. 1.
Bombay	8,000	17,000	5,000	11,000	3,000	13,000

Exports from—	For the Week.				Since September 1.			
	Great Britain.	Conti- nent.	Japan & China.	Total.	Great Britain.	Conti- nent.	Japan & China.	Total.
Bombay—								
1912		6,000		6,000	1,000	17,000		18,000
1911			4,000	4,000		5,000	5,000	10,000
1910		17,000	1,000	18,000		38,000	8,000	46,000
Calcutta—								
1912						2,000		2,000
1911		1,000		1,000		2,000		2,000
1910		1,000		1,000		3,000		3,000
Madras—								
1912		1,000		1,000		1,000		1,000
1911					1,000	1,000		2,000
1910		1,000		1,000		2,000		2,000
All others—								
1912		4,000		4,000		17,000		17,000
1911		5,000		5,000		17,000		17,000
1910		1,000		1,000		9,000		9,000
Total—								
1912		11,000		11,000	1,000	37,000		38,000
1911		6,000	4,000	10,000	1,000	25,000	5,000	31,000
1910		20,000	1,000	21,000		52,000	8,000	60,000

ALEXANDRIA RECEIPTS AND SHIPMENTS.

Alexandria, Egypt, Sept. 18.	1912.		1911.		1910.	
	Receipts (cantars)—		Receipts (cantars)—		Receipts (cantars)—	
This week	50,000		38,000		70,000	
Since Sept. 1	108,000		59,000		120,000	
Exports (bales)—	This week.	Since Sept. 1.	This week.	Since Sept. 1.	This week.	Since Sept. 1.
To Liverpool		4,000		7,000	2,750	6,500
To Manchester	1,000	3,250	3,250	3,250	2,750	2,750
To Continent & India	2,250	10,000	2,750	9,750	3,750	8,500
To America		2,900		2,000	500	1,500
Total exports	3,250	20,150	6,000	22,000	9,750	19,250

Note.—A cantar is 99 lbs. Egyptian bales weigh about 750 lbs.

The statement shows that the receipts for the week were 50,000 cantars and the foreign shipments 3,250 bales.

WORLD'S SUPPLY AND TAKINGS OF COTTON.—The following brief but comprehensive statement indicates at a glance the world's supply of cotton for the week and since Sept. 1 for the last two seasons, from all sources from which statistics are obtainable, also the takings, or amounts gone out of sight, for the like period:

Cotton Takings. Week and Season.	1912.		1911.	
	Week.	Season.	Week.	Season.
Visible supply Sept. 13	2,241,917	2,135,485	1,723,326	1,603,418
Visible supply Sept. 1				
American in sight to Sept. 30	357,250	809,180	427,462	940,310
Bombay receipts to Sept. 19	8,000	17,000	5,000	11,000
Other India ship'ts to Sept. 19	5,000	20,000	6,000	21,000
Alexandria receipts to Sept. 18	8,000	14,000	5,000	7,800
Other supply to Sept. 18	9,000	15,000	5,000	12,000
Total supply	2,629,167	3,010,665	2,171,788	2,595,528
Deduct—				
Visible supply Sept. 20	2,419,647	2,419,647	1,960,033	1,960,033
Total takings to Sept. 20	209,520	591,018	211,755	635,495
Of which American	156,520	509,018	169,755	498,695
Of which other	53,000	82,000	42,000	136,800

* Embraces receipts in Europe from Brazil, Smyrna, West Indies, &c.

MANCHESTER MARKET.—Our report received by cable to-night from Manchester states that the market is firm for both yarns and shirtings. Merchants are not willing to pay present prices. We give the prices for to-day below and leave those for previous weeks of this and last year for comparison.

	1912.				1911.			
	32s Cop	8 1/4 lbs. Shirts	Common	to finest.	32s Cop	8 1/4 lbs. Shirts	Common	to finest.
Aug. 2	10 1/2 @	11 1/2 @	3 1/2 @	11 5	7.37	9.5-16 @	10 3/4 @	5 7 1/2 @ 10 6
9	9 3/4 @	10 3/4 @	3 1/2 @	11 4	6.96	9 3/4 @	10 3/4 @	5 8 @ 10 7 1/2
16	9 3/4 @	10 3/4 @	3 1/2 @	11 4	6.7	9 3/4 @	10 3/4 @	5 7 1/2 @ 10 7 1/2
23	9 3/4 @	10 3/4 @	3 1/2 @	11 4	6.60	9 3/4 @	10 3/4 @	5 8 @ 10 8
30	9 3/4 @	10 3/4 @	3 1/2 @	11 1	6.40	9 3/4 @	10 3/4 @	5 8 1/2 @ 10 9
Sept. 6	9 3/4 @	10 3/4 @	3 1/2 @	11 1	6.62	9 3/4 @	10 3/4 @	5 9 @ 10 10
13	9 3/4 @	10 3/4 @	3 1/2 @	11 2	6.75	9 3/4 @	10 3/4 @	5 9 @ 10 10 1/2
20	9 3/4 @	10 3/4 @	3 1/2 @	11 2	6.75	9 3/4 @	10 3/4 @	5 9 @ 10 10 1/2

SHIPPING NEWS.—As shown on a previous page, the exports of cotton from the United States the past week have reached 172,593 bales. The shipments in detail, as made up from mail and telegraphic returns, are as follows:

		1912.		1911.	
		32s Cop	8 1/4 lbs. Shirts	32s Cop	8 1/4 lbs. Shirts
NEW YORK—To Liverpool—Sept. 18—Adriatic, 7,661 upland,					
18 Peruvian					7,679
To Havre—Sept. 14—Rochambeau, 2,345					2,345
To Bremen—Sept. 18—Friedrich, 6,626					6,626
To Antwerp—Sept. 13—Finland, 2,642					2,642
To Genoa—Sept. 13—Italia, 300					300
To Naples—Sept. 18—Saxonia, 300					300
To Bombay—Sept. 18—Adamsturm, 1,203					1,203
To Venice—Sept. 17—Alice, 200					200
To Trieste—Sept. 17—Alice, 550					550
GALVESTON—To Liverpool—Sept. 13—Imataka, 4,436					Sept. 14
Musielan, 7,394					Sept. 17—Engineer, 13,196; Indore,
17,687					42,713
To Manchester—Sept. 19—Mercedes de Larrinaga, 11,635					11,635
To Havre—Sept. 13—Degama, 3,281; Greystoye Castle, 8,392					11,673
Mineola, 12,513					24,186
To Bremen—Sept. 13—Grangewood, 6,211					Sept. 16—Hill-
glade, 10,682					16,813
To Rotterdam—Sept. 19—Mora, 1,345					1,345
To Antwerp—Sept. 14—Skipton Castle, 1,900					1,900
To Ghent—Sept. 14—Skipton Castle, 1,700					1,700
To Barcelona—Sept. 13—Auguste, 4,640					Sept. 14—Conde
Wilfred, 4,462					9,102
TEXAS CITY—To Havre—Sept. 14—Degama, 6,090					6,090
NEW ORLEANS—To Liverpool—Sept. 16—Craftsman, 607; Victor-					4,941
torian, 4,334					31
To Hamburg—Sept. 19—Hoerde, 31					1,228
To Genoa—Sept. 17—Il Piemonte, 1,228					1,228
MOBILE—To Liverpool—Sept. 13—Konakry, 199					199
SAVANNAH—To Liverpool—Sept. 14—Hardanger, 4,199					4,199
To Manchester—Sept. 14—Hardanger, 20 Sea Island					20
To Havre—Sept. 19—Nunima, 6,009					6,009
CHARLESTON—To Bremen—Sept. 18—Gramplan Range, 3,400					3,400
BRUNSWICK—To Liverpool—Sept. 14—Belgian, 7,200					7,200
BOSTON—To Liverpool—Sept. 12—Canadian, 800					Sept. 17—
Lacola, 1,200					2,000
BALTIMORE—To Liverpool—Sept. 14—Vedamore, 498					498
To Bremen—Sept. 17—Main, 4,559					4,559
SAN FRANCISCO—To Japan—Sept. 14—Mongolia, 900					900
Total					172,593

The particulars of the foregoing shipments for the week, arranged in our usual form, are as follows:

	Great French	Ger-	Oth. Europe—	Mex.,	
	Britann.	ports.	many.	North.	South.
New York	7,679	2,345	6,626	2,642	1,350
Galveston	54,348	24,186	16,893	4,945	9,102
Texas City		6,090			
New Orleans	4,941		31		1,228
Mobile	199				
Savannah	4,219	6,009			
Brunswick	7,200				
Charleston			3,400		
Boston	2,000				
Baltimore	498		4,559		
San Francisco					900
Total	81,084	38,630	31,509	7,587	11,680

LIVERPOOL.—Sales, stocks, &c., for past week:

	Aug. 30.	Sept. 6.	Sept. 13.	Sept. 20.
Sales of the week	72,000	33,000	37,000	46,000
Of which speculators took	1,000	3,000	1,000	1,000
Of which exporters took	1,000	1,000	1,000	1,000
Sales, American	21,000	26,000	29,000	32,000
Actual export	11,000	2,000	5,000	3,000
Forwarded	54,000	62,000	57,000	59,000
Total stock—Estimated	600,000	568,000	534,000	516,000
Of which American	472,000	424,000	387,000	362,000
Total imports of the week	21,000	35,000	27,000	45,000
Of which American	4,000	11,000	15,000	24,000
Amount afloat	83,000	110,000	143,000	187,000
Of which American	40,000	75,000	96,000	155,000

The tone of the Liverpool market for spots and futures each day of the past week and the daily closing prices of spot cotton have been as follows:

Spot.	Saturday.	Monday.	Tuesday.	Wednesday.	Thursday.	Friday.
Market, 12:15 P. M.	Quiet.	Easier.	Fair business doing.	Easier.	Fair business doing.	Quiet.
Mid. Up'ds.	6.80	6.72	6.72	6.76	6.82	6.79
Sales	5,000	9,000	8,000	8,000	10,000	6,000
Spec. & exp.	500	500	500	500	500	500
Futures.	Quiet at 4 1/2 pts. advance.	Steady at 7 points decline.	Quiet at 6 1/2 pts. decline.	Steady at 1 @ 2 pts. decline.	Quiet at 1 point advance.	Quiet at 2 points decline.
Market opened						
Maryet, 4 P. M.	Easy at 1/2 @ 2 pts. advance.	Quiet at 7 1/2 @ 8 pts. decline.	Steady at 1 1/2 @ 5 1/2 pts. advance.	Steady at 4 @ 4 1/2 pts. advance.	Quiet at 3 @ 5 pts. advance.	Feverish at 1 @ 4 pts. advance.

The prices of futures at Liverpool for each day are given below. Prices are on the basis of upland, good ordinary clause, unless otherwise stated.

Sept. 14 to Sept. 20	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
	12 1/4 p.m.	12 1/4 p.m.	12 1/4 p.m.	12 1/4 p.m.	12 1/4 p.m.	12 1/4 p.m.
Sept.	6 51	44 1/2	43 1/2	40 1/2	51 1/2	54 1/2
Sept.-Oct.	6 39	32 1/2	31 1/2	28 1/2	36 1/2	40 1/2
Oct.-Nov.	6 35 1/2	29	28	24 1/2	32 1/2	35 1/2
Nov.-Dec.	6 31	24 1/2	23 1/2	19 1/2	26 1/2	30 1/2
Dec.-Jan.	6 31	24 1/2	23 1/2	19 1/2	26 1/2	30 1/2
Jan.-Feb.	6 32	25 1/2	24 1/2	20 1/2	27 1/2	31 1/2
Feb.-Mar.	6 33 1/2	26 1/2	25 1/2	21 1/2	28 1/2	32 1/2
Mar.-Apr.	6 34 1/2	27 1/2	26 1/2	22 1/2	29 1/2	33 1/2
Apr.-May	6 36	29	28	23 1/2	30 1/2	34 1/2
May-June	6 37	30	29	24 1/2	31 1/2	35 1/2
June-July	6 37	31	30	25 1/2	32 1/2	36 1/2
July-Aug.	6 36 1/2	29 1/2	28 1/2	24 1/2	30 1/2	34 1/2

BREADSTUFFS.

Friday Night, Sept. 20 1912.

Flour has been reported active at the Northwest, though in some cases at lower prices. The sales here have been as a rule comparatively small. At best they have been but moderate. Buyers as a rule are purchasing only from hand to mouth, in the expectation that sooner or later prices will give way under the weight of the unprecedentedly large crop of spring wheat. Yet on the whole prices here have been comparatively steady. The high ocean freights are, however, a drawback of recognized importance. The total output of flour at Minneapolis, Duluth and Milwaukee last week reached, it is of interest to observe, 438,940 barrels, against only 338,525 in the previous week and 396,275 a year ago.

Wheat has shown resistance to big receipts and increasing stocks at the Northwest. The cash demand has been steady and some business for export has been done despite the high ocean freight rates which prevail all along the coast and are said also to exist in Europe. Some important men of the trade are of the opinion that whatever the present drawback in the matter of the scarcity and high rates of ocean freight room this season is to witness an unusually large export trade with Europe. Crop reports from the United Kingdom are in many cases unfavorable. Supplies of native wheat are increasing it is said, but both the condition and the quality are reported poor. In France the supplies of native wheat are also increasing but dry lots are scarce and northern ports are importing foreign wheat on a good scale, mostly East India wheat. In Germany threshing is progressing but slowly and there is a fair demand for foreign wheat. In Austria, while the yield is satisfactory, the quality of the wheat is not. In Russia 15 per cent damage has been done in the southwestern sections. Much sprouting is reported there owing to continued wet weather. These facts have been noticed with interest despite the favorable outlook for the crop in other parts of Russia and some increase in its supplies. In Italy there is a good demand for foreign wheat. In Scandinavia the crops have been greatly damaged by rains and increased imports are expected. Things like the above have tended to confirm bulls in the impression that present prices are too low. It has been raining heavily in the Red River valley, too, and this has naturally tended to delay threshing. On the other hand, the world's shipments have been large, reaching 14,576,000 bushels, against 11,184,000 for the same week last year. Russia's shipments are much larger than those of a year ago. So are those from Argentine and East India. The stock at Minneapolis has been steadily increasing. The world's stock of wheat increased for the week 7,659,000 bushels against an increase in the same week last year of 5,650,000 bushels. That the spring-wheat crop will be the largest ever known has now become a truism. At the same time exporters are handicapped by two things: first their bids in many cases are several cents under the market, and, second, ocean freights continue scarce and high. Recently Liverpool room has risen to 10 cents a bushel as compared with about 1-5 of this rate in ordinary times. The larger receipts and the increasingly bearish aspect of the week's statistics have militated against a rise. Yet a very steady undertone has been frequently observable and it has been traced to a steady absorption of wheat in this country and what is regarded as an unsatisfactory crop outlook in Europe. To-day prices opened higher, owing to Northwestern rains, but weakened later.

DAILY CLOSING PRICES OF WHEAT FUTURES IN NEW YORK.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
No. 2 red	103 1/2	103 1/2	103	103 1/2	103 1/2	103 1/2
September delivery in elevator	103 1/2	103 1/2	102 1/2	103 1/2	103	103
December delivery in elevator	99 1/2	98 1/2	99	99 1/2	99 1/2	99 1/2
May delivery in elevator	103	102 1/2	103	103 1/2	103 1/2	103 1/2

DAILY CLOSING PRICES OF WHEAT FUTURES IN CHICAGO.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
September delivery in elevator	92 1/2	92 1/2	92	91 1/2	91 1/2	91 1/2
December delivery in elevator	91	90 1/2	90 1/2	91 1/2	91 1/2	91 1/2
May delivery in elevator	95 1/2	95 1/2	95 1/2	96 1/2	96 1/2	96 1/2

Indian corn has latterly been stronger, owing partly to fears of frost in the belt. Killing frost has actually occurred, it is said, in parts of Nebraska. It is said, too, that more damage was done by the recent drought and heat in Nebraska, Kansas, Oklahoma and Texas than was generally supposed to have been done at the time. Large interests are identified with the bull side of the corn market, and they have bought heavily. After sagging for a time cash prices have latterly advanced, with a good demand from Eastern buyers at Chicago. Early in the week the receipts at Chicago suddenly increased and cash and September for a time felt the effects. But latterly the receipts have decreased and prices have accordingly improved. There are those who believe that there will be unusually large feeding of corn to cattle and hogs this year, owing to the high prices of beeves and hogs at the West. At Chicago beeves have advanced to \$11 per hundred pounds, the highest price, it is stated, for many years past, and there are predictions that \$15 will be reached by Christmas. Hogs, although not so high relatively as beeves, are high enough to encourage feeding. These things, it is maintained, are likely to neutralize the effects of even a crop of 3,000,000,000 bushels. And latterly some traveling experts have expressed doubts whether quite so large a crop will be raised. To-day prices were firm on predictions of frost.

DAILY CLOSING PRICES OF NO. 2 MIXED CORN IN NEW YORK.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
Cash corn	nom.	nom.	nom.	nom.	nom.	nom.
September delivery in elevator	nom.	nom.	nom.	nom.	nom.	nom.

DAILY CLOSING PRICES OF CORN FUTURES IN CHICAGO.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
September delivery in elevator	69	67 1/2	69	70 1/2	71 1/2	72 1/2
December delivery in elevator	52	52	52 1/2	53 1/2	53 1/2	54 1/2
May delivery in elevator	51 1/2	52	52	52 1/2	52 1/2	53 1/2

Oats have shown a noteworthy steadiness in the face of the prospects of a record-breaking crop. Cash houses and elevator companies have been buying the distant months. Of late September delivery has led in some advance, and cash prices have risen, owing to the smallness of available supplies. The forage crops of Europe are believed to have suffered with other grain crops, and although of late there has been less export business, owing partly, it is believed, to the scarcity and dearthness of ocean freights, yet the idea of not a few in the trade is that later on Europe may not improbably re-enter the market for liberal quantities. Meantime, there is a good, steady cash demand from domestic buyers, and the visible supply is only 6,837,000 bushels, or about a third of what it was at this time last year. To-day prices were firm in sympathy with corn.

DAILY CLOSING PRICES OF OATS IN NEW YORK.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
Standards	38	38	38	38	nom.	nom.
No. 2 white	40	40	39	39	nom.	nom.

DAILY CLOSING PRICES OF OATS FUTURES IN CHICAGO.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
September delivery in elevator	32 1/2	32 1/2	32 1/2	32 1/2	33 1/2	33 1/2
December delivery in elevator	32 1/2	32	32 1/2	32 1/2	32 1/2	32 1/2
May delivery in elevator	34 1/2	34 1/2	34 1/2	34 1/2	34 1/2	35

Closing prices were as follows:

FLOUR.		GRAIN.	
Winter, low grades	\$3 85 @ \$4 10	Kansas straights, sacks	54 30 @ 4 40
Winter patents	5 25 @ 5 45	Kansas clears, sacks	4 00 @ 4 25
Winter straights	4 60 @ 4 70	City patents	6 20 @ 6 50
Winter clears	4 25 @ 4 50	Rye flour	3 85 @ 4 10
Spring patents	4 75 @ 5 00	Graham flour	4 00 @ 4 70
Spring straights	4 60 @ 4 75	Buckwheat, cwt.	Nominal
Spring clears	4 40 @ 4 60		

Wheat, per bushel—f. o. b.		Corn, per bushel—		Cents.
N. Spring, No. 1, new	\$1 01	No. 2	elevator	Nominal
N. Spring, No. 2, new	nom.	Steamer	elevator	Nominal
Red winter, No. 2, new	1 03 1/2	No. 3	c.i.f.	Nominal
Hard winter, No. 2	1 02 1/2	Rye, per bushel—		67
Oats, per bushel, new—		No. 2		Nominal
Standards	nom.	State & Pennsylvania		Nominal
No. 2, white	nom.	Barley—Malting		60 @ 75
No. 3	38 1/2 @ 39			

For other tables usually given here, see page 726.

The visible supply of grain, comprising the stocks in granary at principal points of accumulation at lake and seaboard ports Sept. 14 1912, was as follows:

UNITED STATES GRAIN STOCKS.									
In Thousands—	Amer. Bonded	Wheat.	Corn.	Oats.	Amer. Bonded	Rye.	Barley.	Barley.	
bush.	bush.	bush.	bush.	bush.	bush.	bush.	bush.	bush.	
New York	291	191	46	599	9	4	25	1	
Boston	8	3	9	72		1			
Philadelphia	519	41	10	288					
Baltimore	858		33	404		7	1		
New Orleans	648		100	88					
Galveston	1,278		5						
Buffalo	248	125	24	174		21	136		
Toledo	1,315		16	547		3			
Detroit	196		30	113		3			
Chicago	3,982		426	2,739		43	46		
Milwaukee	80		57	132		41	17		
Duluth	2,477	58		225	53	307	515	20	
Minneapolis	1,892		6	264		243	299		
St. Louis	3,473		39	258		9			
Kansas City	5,013		36	35					
Peoria	3		190	491					
Indianapolis	537		60	198					
Omaha	794		173	210		18	2		
On Lakes	3,047		503			6	419		
Total Sept. 14 1912	26,679	418	1,768	6,837	62	706	1,460	21	
Total Sept. 7 1912	22,691	491	1,453	5,538	61	607	1,184	21	
Total Sept. 16 1911	51,076	7,215	21,716		427	2,503			
Total Sept. 17 1910	29,207		3,850	18,423		290	1,379		

CANADIAN GRAIN STOCKS.									
In Thousands—	Canadian Bonded	Wheat.	Wheat.	Corn.	Oats.	Oats.	Rye.	Barley.	Barley.
bush.	bush.	bush.	bush.	bush.	bush.	bush.	bush.	bush.	bush.
Montreal	559			487			15		
Fort William	1,662			736					
Port Arthur									
Other Canadian	1,121			299					
Total Sept. 14 1912	3,342			1,522			15		
Total Sept. 7 1912	4,777			1,983			41		
Total Sept. 16 1911	3,012			187	4,836		19		
Total Sept. 17 1910	3,290			116	258		48		

SUMMARY.									
In Thousands—	Wheat.	Wheat.	Corn.	Oats.	Oats.	Rye.	Barley.	Barley.	
bush.	bush.	bush.	bush.	bush.	bush.	bush.	bush.	bush.	bush.
American	26,679	418	1,768	6,837	62	706	1,460	21	
Canadian	3,342			1,522			15		
Total Sept. 14 1912	30,021	418	1,768	8,359	62	706	1,475	21	
Total Sept. 7 1912	27,468	491	1,454	7,521	61	607	1,225	21	
Total Sept. 16 1911	54,088		7,402	26,552		427	2,522		
Total Sept. 17 1910	32,407		3,856	18,681		290	1,427		

THE DRY GOODS TRADE.

New York, Friday Night, Sept. 20, 1912.

The week in the drygoods trade has been very satisfactory, with the situation continuing to favor producers. The scarcity of supplies and lateness of mills in making deliveries are the chief topics of discussion. In staple cottons, buyers are more active in covering their requirements, and are not finding it easy. They are willing to pay full asking prices but are unable to obtain the deliveries desired. Retailers have found that their initial orders on fall lines of cotton goods are inadequate and are making heavy inroads into the stocks of jobbers. The majority of mills are well sold up to the turn of the year, and only in scattered instances are they in a position to furnish jobbers with further supplies of fall goods. Where they are in a position to do so, they are asking advanced prices on the same. Jobbers are also in receipt of considerable business for next spring, as retailers are beginning to take a broader view of the future and fear the same tightness of supplies during the spring that has prevailed through the fall and winter seasons. In woollens and worsteds there is also much anxiety over the tardiness of mills in making deliveries of fall dress goods. Supplies of popular fabrics in the hands of distributors are very small and mills are still engaged in manufacturing materials which should have been shipped some time ago. In men's wear likewise, the matter of deliveries is receiving close attention. Judging from the amount of business which mills have booked, and their present rate of production and shipment, it is feared that it will be very difficult to get satisfactory deliveries of goods for next spring.

DOMESTIC COTTON GOODS.—The exports of cotton goods from this port for the week ending Sept. 14 were 5,017 packages.

	1912	Since Jan. 1.	1911	Since Jan. 1.
New York to Sept. 14—	Week.	Jan. 1.	Week.	Jan. 1.
Great Britain	4	3,368	29	585
Other Europe	118	1,488	101	826
China	426	53,705		76,109
India		20,042	532	20,247
Arabia	205	40,185		14,598
Africa	1,352	21,271	232	10,788
West Indies	938	33,103	897	28,688
Mexico	36	2,230	10	1,608
Central America	201	15,567	311	14,326
South America	1,084	50,856	2,397	42,789
Other countries	653	52,202	1,594	28,458
Total	5,017	294,026	6,103	239,022

The value of these New York exports since Jan. 1 has been \$18,989,766 in 1912, against \$16,997,678 in 1911.

Markets for domestic cotton goods hold steady with the tendency of prices upward. Demand is reported active in all sections of the country, and many complaints are heard of backward deliveries, indicating that merchants are short of supplies and unable to meet the requirements of their customers. It is said that it is many years since September witnessed such a good business when in the midst of a political campaign, as generally the uncertainties surrounding the outcome of the elections has had a tendency to restrict buying except what was required for immediate needs. Staple tickings have been well ordered, the largest houses receiving business for delivery as far ahead as November. Large inquiries are received for drills and sheetings for future delivery and are taken to indicate a resumption of liberal contracting for spring delivery. Gingham, particularly the low-priced dress gingham, are selling well, the finer qualities being in only very moderate demand. Jobbing houses handling wash goods are doing a good business as compared with recent years, while many lines of heavy colored goods are being well ordered for October and November delivery, the cooler weather in many sections of the country having stimulated interest in larger stocks of these goods. Print cloths and convertibles are quiet and about steady. Offerings generally are light. Gray goods, 38 1/2 inch standard, are quoted at 5 1/2c.

WOOLEN GOODS.—A satisfactory business has been transacted in men's wear and dress goods, notwithstanding the forthcoming Presidential election and threatened tariff revision. Orders for most all lines have been heavy and mills are far behind with deliveries. Spot goods are scarce and there are urgent requests for quick shipments.

FOREIGN DRY GOODS.—No abatement is noted in the demand for linens, which continues active at firm and advancing prices. Advices from abroad state that as a result of increased cost of production quotations will be marked up. Both dress goods and housekeeping lines are well taken. Burlaps developed decided strength during the past week. A large business was transacted and stocks were cleaned up. Calcutta markets were rather easy during the early part of the week, but during the latter part prices scored sensational advances. Lightweights are quoted 6.15@6.20c. and 10 1/2 ounce at 7.75c.

STATE AND CITY DEPARTMENT.

News Items.

Arizona.—*Proposed Constitutional Amendments.*—On Nov. 5 a vote will be taken on a proposal to amend Section 8 of Article IX of the constitution so as to limit the bonding power of county or school districts to 10% of their assessed valuation, 4% of which may be incurred without the assent of the voters. It also increases the amount of debt which may be incurred by incorporated cities and towns with the voters' approval, for municipal water, sewer and light plants from 5% to 15% of the assessed valuation. We print Section 8 below, italicizing the part to be added and placing in brackets the part to be eliminated should the amendment carry.

Sec. 8. Art. IX. No county, city, town, school district, or other municipal corporation shall for any purpose become indebted in any manner to an amount exceeding four per centum of the taxable property in such county, city, town, school district, or other municipal corporation, without the assent of a majority of the property taxpayers, who must also in all respects be qualified electors, therein voting at an election provided by law to be held for that purpose, the value of the taxable property therein to be ascertained by the last assessment for State and county purposes, previous to incurring such indebtedness; except, that in incorporated cities and towns assessments shall be taken from the last assessment for city or town purposes: *Provided that under no circumstances shall any county or school district become indebted to an amount exceeding ten per centum of such taxable property, as shown by the last assessment roll thereof; and provided further that any incorporated city or town, with such assent, may be allowed to become indebted to a larger amount, but not exceeding fifteen [five] per centum additional, for supplying such city or town with water, artificial light or sewers, when the works for supplying such water, light or sewers are or shall be owned and controlled by the municipality.*

Dallas, Texas.—*Bonds Declared to Be Legal Investments for New York State Savings Banks.*—See item under "New York State" below.

Great Bend, Barton County, Kan.—*Election on Commission Form of Government.*—Reports state that the question of establishing the commission form of government will be submitted to a vote on Nov. 5.

Maine.—*Road Bond Amendments Adopted.*—The recent election resulted, it is stated, in favor of the proposed amendments to the constitution authorizing the State to issue not exceeding \$2,000,000 bonds for highways. See V. 94, p. 1397.

Nicaragua.—*Receipts During Administration of American Collector.*—Mr. Edward L. Andrews, representing the corporation of foreign bondholders, has furnished us with the following statement of current Nicaraguan finances.

The Council of Foreign Bondholders has received from Mr. E. H. Wands, the Financial Adviser of the Nicaraguan Government, the following figures showing the yield of the customs revenues of Nicaragua since the United States Collector-General entered into office at the end of last year:

Dec. 18 1911 to Jan. 31 1912	\$45,000	May 1912	\$123,000
February 1912	75,000	June 1912	163,000
March 1912	111,000	July 1912	112,000
April 1912	90,000		

Although the American Collector-General of Nicaraguan customs was appointed only a few months ago, there has been a material increase in receipts. No figures for the same period of the previous year are available to make an exact comparison, but it is estimated that the increase amounts to something like 50%. What effect, if any, has been produced on the customs receipts in the past two months by the revolution is not yet known, but at the worst any reduction arising out of the revolutionary disturbances is not likely to be more than temporary. As regards the position of the scheme for the settlement of the Nicaraguan debt, nearly 1,000,000 of the bonds has now been deposited in assent, so that a large majority has been obtained.

Ohio.—*Official Returns on Constitutional Amendments.*—The Columbus "Ohio State Journal" of Sept. 13 reports the official vote on the forty-one constitutional amendments and the question of liquor license submitted on Sept. 3 as follows:

- No. 1.—Reform in civil jury system. 345,686 yes, 203,953 no.
- No. 2.—Abolition of capital punishment. 258,706 yes, 303,246 no.
- No. 3.—Depositions by State and comment on failure of accused to testify in criminal cases. 291,717 yes, 227,547 no.
- No. 4.—Suits against the State. 306,764 yes, 216,634 no.
- No. 5.—Damage for wrongful death. 355,605 yes, 195,216 no.
- No. 6.—Initiative and referendum. 312,692 yes, 231,312 no.
- No. 7.—Investigations by each house of General Assembly. 348,779 yes, 175,337 no.
- No. 8.—Limiting veto power of Governor. 282,412 yes, 254,186 no.
- No. 9.—Mechanics' and builders' liens. 278,582 yes, 242,385 no.
- No. 10.—Welfare of employees. 353,588 yes, 189,728 no.
- No. 11.—Workmen's compensation. 321,558 yes, 211,772 no.
- No. 12.—Conservation of natural resources. 318,192 yes, 191,893 no.
- No. 13.—Eight-hour day on public work. 333,307 yes, 232,898 no.
- No. 14.—Removal of officials. 347,333 yes, 185,981 no.
- No. 15.—Regulating expert testimony in criminal trials. 336,987 yes, 185,408 no.
- No. 16.—Registering and warranting land titles. 346,373 yes, 171,807 no.
- No. 17.—Abolishing prison contract labor. 333,034 yes, 215,208 no.
- No. 18.—Limiting power of General Assembly in extra sessions. 319,100 yes, 192,130 no.
- No. 19.—Change in judicial system. 264,922 yes, 244,375 no.
- No. 20.—Judge of Court of Common Pleas for each county. 301,891 yes, 223,287 no.
- No. 21.—Abolition of Justice of the Peace in certain cities. 264,832 yes, 252,936 no.
- No. 22.—Contempt proceedings and injunctions. 240,896 yes, 257,302 no.
- No. 23.—Woman's suffrage. 249,420 yes, 336,875 no.
- No. 24.—Omitting word "white." 242,735 yes, 265,693 no.
- No. 25.—Use of voting machines. 242,342 yes, 288,652 no.
- No. 26.—Primary elections. 349,801 yes, 183,112 no.
- No. 27.—Organization of boards of education. 298,460 yes, 213,337 no.
- No. 28.—Creating the office of Superintendent of Public Instruction to replace State Commissioner of Common Schools. 256,615 yes, 251,946 no.
- No. 29.—To extend State bond limit to \$50,000,000 for inter-county wagon roads. 272,564 yes, 274,582 no.
- No. 30.—Regulating insurance. 321,388 yes, 196,628 no.
- No. 31.—Abolishing Board of Public Works. 296,635 yes, 214,829 no.

- No. 32.—Taxation of State and municipal bonds, inheritances, incomes, franchises and production of minerals. 269,239 yes, 249,864 no.
- No. 33.—Regulation of corporations and sale of personal property. 300,466 yes, 212,704 no.
- No. 34.—Double liability of bank stockholders and inspection of private banks. 377,272 yes, 156,688 no.
- No. 35.—Regulating State printing. 319,622 yes, 192,378 no.
- No. 36.—Eligibility of women to certain offices. 261,806 yes, 284,370 no.
- No. 37.—Civil service. 306,767 yes, 204,580 no.
- No. 38.—Out-door advertising. 261,361 yes, 262,440 no.
- No. 39.—Methods of submitting amendments to the constitution. 271,827 yes, 246,687 no.
- No. 40.—Municipal home rule. 301,861 yes, 215,120 no.
- No. 41.—Schedule of amendments. 275,062 yes, 213,979 no.
- No. 42.—License to traffic in intoxicating liquors. 272,361 yes, 188,828 no.

As indicated last week, the complete returns show that eight proposed amendments were defeated. It is estimated that there are 1,250,000 qualified voters in the State and less than half this number voted on the various propositions. One of the amendments adopted, that known as No. 32, restoring municipal bonds to taxation, is of such importance to our readers that we print the same in full below:

ARTICLE XII.

Sec. 1. No poll tax shall ever be levied in this State, or service required, which may be commuted in money or other thing of value.

Sec. 2. Laws shall be passed, taxing by a uniform rule, all moneys, credits, investments in bonds, stocks, joint stock companies, or otherwise; and also all real and personal property, according to its true value in money, excepting all bonds at present outstanding of the State of Ohio or of any city, village, hamlet, county or township in this State or which have been issued in behalf of the public schools in Ohio and the means of instruction in connection therewith, which bonds so at present outstanding shall be exempt from taxation; but burying grounds, public school houses, houses used exclusively for public worship, institutions used exclusively for charitable purposes, public property used exclusively for any public purpose, and personal property, to an amount not exceeding in value five hundred dollars, for each individual, may, by general laws, be exempted from taxation; but all such laws shall be subject to alteration or repeal; and the value of all property, so exempted, shall, from time to time, be ascertained and published as may be directed by law.

Sec. 6. Except as otherwise provided in this constitution, the State shall never contract any debt for purposes of internal improvement.

Sec. 7. Laws may be passed providing for the taxation of the right to receive, or to succeed to, estates, and such taxation may be uniform or it may be so graduated as to tax at a higher rate the right to receive, or to succeed to, estates of larger value than to estates of smaller value. Such tax may also be levied at different rates upon collateral and direct inheritances, and a portion of each estate not exceeding twenty thousand dollars may be exempt from such taxation.

Sec. 8. Laws may be passed providing for the taxation of incomes, and such taxation may be either uniform or graduated, and may be applied to such incomes as may be designated by law; but a part of each annual income not exceeding three thousand dollars may be exempt from such taxation.

Sec. 9. Not less than 50 per centum of the income and inheritance taxes that may be collected by the State shall be returned to the city, village or township in which said income and inheritance tax originates.

Sec. 10. Laws may be passed providing for excise and franchise taxes and for the imposition of taxes upon the production of coal, oil, gas and other minerals.

Sec. 11. No bonded indebtedness of the State, or any political subdivisions thereof, shall be incurred or renewed, unless, in the legislation under which such indebtedness is incurred or renewed provision is made for levying and collecting annually by taxation an amount sufficient to pay the interest on said bonds, and to provide a sinking fund for their final redemption at maturity.

The above amendment will take effect Jan. 1 1913.

Shreveport, La.—*City Offers to Purchase Water Plant.*—A resolution has been passed by the City Commissioners, it is said, offering to purchase the plant of the Shreveport Water-Works Co. for \$607,655 96, and giving them thirty days within which to accept. Should the offer be refused, an election will be called, according to the resolution, to vote bonds for the erection of a municipal plant.

Recall Election.—An election has been ordered for Oct. 7, reports state, on the question of recalling Mayor Eastham and Commissioners Rives and Fullilove. An election held May 9 resulted in favor of the recall of Commissioner Atkins. —V. 94, p. 1397.

Bond Proposals and Negotiations this week have been as follows:

ADA SCHOOL DISTRICT (P. O. Ada), Hardin County, Ohio.—*BONDS VOTED.*—An election held Sept. 3 resulted in favor of the proposition to issue \$15,000 heating-system bonds. The vote was 253 to 174.

ADAIR COUNTY SCHOOL DISTRICT NO. 11, Okla.—*BONDS OFFERED BY BANKERS.*—The H. C. Speer & Sons Co. of Chicago is offering to investors \$10,000 6% building bonds. Denom. \$500. Date Aug. 1 1912. Int. J. & J. in New York. Due July 1 1932. No other debt. Assessed valuation, \$515,484.

AKRON, Ohio.—*BONDS AUTHORIZED.*—Ordinances have been passed providing for the issuance of the following 4½% coupon bonds: \$4,250 street-impt. (city's portion) bonds. Due Nov. 1 1918. 20,600 Merriam St. impt. assess. bonds. Denom. (20) \$1,000 and (1) \$600. Due \$2,000 yrlly. Nov. 1 1914 to 1923 incl. and \$600 Nov. 1 1923.

Date Nov. 1 1912. Int. semi-annual at the City Treas. office.

BOND OFFERINGS.—Proposals will be received until 12 m. Oct. 10 by J. McCausland, City Auditor, for \$1,000,000 4% 30-yr. water-works-ext. bonds. Auth. Sec. 3939, Gen. Code. Denom. \$1,000. Date June 1 1912. Int. J. & D. Bonds to be delivered and paid for within 10 days from time of award. Cert. check for 1% of bonds bid for, payable to the City Treas., required. Purchaser to pay accrued interest.

Proposals will also be received until 12 m. Oct. 15 by the Auditor for the following 4½% bonds:

- \$40,840 Assessment Bonds.
- \$12,600 Gleewood Ave. impt. bonds. Denom. (10) \$1,000 and (10) \$260. Date Oct. 15 1911. Due \$1,260 yrlly. from 1912 to 1921 incl.
- 1,140 Mallison Ave. sewer bonds. Date Sept. 15 1912. Due \$380 yrlly. 1914 to 1916 incl.
- 6,000 North Howard St. impt. bonds. Denom. \$600. Date Oct. 1 1912. Due \$1,200 yrlly. 1913 to 1917 incl.
- 10,000 Carson and Bloomfield ayes. impt. bonds. Date Sept. 1 1912. Due \$1,000 yrlly. from 1913 to 1922 incl.
- 3,000 Rider Ave. sewer bonds. Denom. \$1,000. Date Sept. 1 1912. Due \$1,000 Sept. 1 1913, 1914 and 1915.
- 8,100 Snyder, Nathan and Campbell St. impt. bonds. Denom. \$810. Date Oct. 1 1912. Due \$1,620 yrlly. from 1913 to 1917 incl.
- \$136,650 City's Portion Bonds.
- \$29,700 Kelley Ave. bridge bonds. Denom. \$1,000. Date April 1 1912. Due April 1 1917.
- \$90,000 Bowery St. main trunk sewer bonds. Denom. \$1,000. Date July 15 1912. Due July 15 1917.
- 1,000 Washington St. storm-water-sewer bonds. Date Oct. 1 1912. Due Oct. 1 1918.
- 3,000 bonds for quarantine purposes. Denom. \$1,000. Date Sept. 1 1912. Due Sept. 1 1918.
- 12,950 public impt. bonds. Denom. \$1,000 and \$950. Date Oct. 1 1912. Due Oct. 1 1918.
- Interest semi-annual.

ALBANY, N. Y.—BOND OFFERING.—Proposals will be received until 11 a. m. Oct. 3 by J. M. Fall, City Comp., for the following 4 1/4% tax-free bonds:

\$100,000 coupon (with privilege of registration) river-front bonds. Denom. \$1,000. Int. at office of City Treas. Due Oct. 1 1962.
100,000 reg. intercepting sewer bonds. Denom. \$1,000. Int. by mailed check. Due Oct. 1 1952.
100,000 reg. school-construction bonds. Denom. \$1,000. Interest by mailed check. Due \$5,000 yearly Oct. 1 1913 to 1932, incl.
30,000 reg. school-land acquisition bonds. Denom. \$1,500. Interest by mailed check. Due \$1,500 yearly Oct. 1 1913 to 1932, inclusive.
20,000 reg. bond and building acquisition bonds. Denom. \$1,000. Interest by mailed check. Due \$1,000 yearly Oct. 1 1913 to 1932, inclusive.
16,000 reg. land-acquisition bonds. Denom. \$800. Interest by mailed check. Due \$800 yearly Oct. 1 1913 to 1932, incl.
2,800 reg. concrete-walk bonds. Denom. \$140. Interest by mailed check. Due \$140 yearly Oct. 1 1913 to 1932, incl. Comptroller reserves right to purchase at par for sinking funds.
2,500 reg. Clinton Square Impt. bonds. Denom. \$125. Interest by mailed check. Due \$125 yearly Oct. 1 1913 to 1932, incl. (Comptroller reserves right to purchase for sinking funds at par.)
Date Oct. 1 1912. Int. A. & O. Certified check for 2% of bonds bid for, payable to Chas. E. Walsh, City Treas., required. Bonds will be ready for delivery Oct. 15, or as soon thereafter as possible.

ALBANY COUNTY (P. O. Albany), N. Y.—BOND SALE.—On Sept. 19 the \$84,000 4 1/4% reg. highway-improvement bonds (V. 95, p. 634) were awarded to E. H. Rollins & Sons of Boston at 100.277. A bid of par was also received from the Albany City Bank in Albany.

ATHOL, Worcester County, Mass.—BOND OFFERING.—Proposals will be received until 3 p. m. to-day (Sept. 21) by L. Lord, Town Treas., for \$35,000 4% coupon school-house loan bonds. Denom. \$1,000. Date Oct. 1 1912. Int. A. & O. at the Old Colony Trust Co., Boston. Due \$4,000 yearly on Oct. 1 from 1913 to 1920, incl., and \$3,000 Oct. 1 1921. Bonds will be certified as to genuineness by the Old Colony Trust Co. Legality approved by Ropes, Gray & Gorham, Boston, whose opinion will be furnished without charge to the purchaser.

ALGONA SCHOOL DISTRICT (P. O. Algona), Kossuth County, Iowa.—BOND ELECTION.—An election will be held Oct. 4 to vote on the proposition to issue \$15,000 high-school-addition bonds.

ALHAMBRA, Alhambra County, Cal.—BOND OFFERING.—Proposals will be received until 9 a. m. Sept. 28 by O. M. Caulk, City Clerk, for the following 5% coup. bonds of 1912:

\$50,000 public-library bonds, Series No. 2. Denom. (40) \$1,000 and (40) \$250. Due \$1,250 yrly. Sept. 1 from 1913 to 1952, incl.
10,000 incinerator bonds. Denom. \$250. Due \$250 yrly. Sept. 1 from 1913 to 1952, incl.
31,000 fire-protection bonds, Series No. 2. Denom. \$775. Due \$775 yrly. Sept. 1 from 1913 to 1952, incl.
17,000 drainage bonds, Series No. 3. Denom. \$425. Due \$425 yrly. Sept. 1 from 1913 to 1952, incl.
50,000 city-hall bonds, Series No. 2. Denom. (40) \$1,000 and (40) \$250. Due \$1,250 yrly. Sept. 1 from 1913 to 1952, incl.
15,000 bridge bonds, Series No. 2. Denom. \$375. Due \$375 yrly. Sept. 1 from 1913 to 1952, incl.
Authority election held Aug. 6 1912. Date Sept. 1 1912. Int. M. & S. at the City Treas. office. Cert. check for 5% of bid, payable to the Pres. Bd. of Trustees, required.

ALLEN COUNTY (P. O. Lima), Ohio.—BOND SALE.—On Aug. 27 the \$5,400 5% coup. ditch-impt. bonds (V. 95, p. 434) were awarded to Hayden, Miller & Co. of Cleve. for \$5,425, making the price 100.46.

ALLETOWN, Pa.—BONDS AUTHORIZED.—An ordinance has been passed, it is stated, providing for the issuance of \$55,000 bonds.

AMITE COUNTY (P. O. Liberty), Miss.—BOND OFFERING.—Further details are at hand relative to the offering on Oct. 7 of the \$80,000 5% reg. road bonds (V. 95, p. 700). Proposals will be received on that day by W. W. Jackson, Pres. Road Dist. No. 3. Denom. \$500. Int. ann. in Liberty. Due from 10 to 20 yrs. Cert. check for \$8,000 required.

ARTESIA, Eddy County, N. Mex.—BONDS VOTED.—By a vote of 102 to 7 the question of issuing \$10,000 6% 20-yr. street-impt. and water-works system bonds carried, it is stated, at a recent election.

ASHLAND, Ashland County, Ohio.—BOND SALE.—On Sept. 16 the \$4,800 4 1/4% sewage-disposal-plant bonds (V. 95, p. 560) were awarded to the Farmers' Bank of Ashland for \$4,915 50 (102.406) and int. Other bids follow:

Ashland Bk. & Sav. Co., Ash. \$4,909 44 | Hayden, Miller & Co., Cleve. \$4,830 00
First Nat. Bank, Ashland. 4,908 00 | Stacy & Braun, Toledo. 4,824 00
First Nat. Bank, Cleve. 4,853 80 | M. S. Pond, Somerset. 4,809 12
New First Nat. Bank, Col. 4,831 00

AUSTIN, Travis County, Tex.—BONDS RE-AWARDED.—The five issues of 5% bonds aggregating \$750,000 sold on June 4 to the Texas Trust Co. of Austin (V. 94, p. 1640) have been re-awarded to the Commerce Trust Co. of Kansas City, Mo., which is now offering them to investors on a 4.70% basis.

AUSTIN SCHOOL DISTRICT, Santa Clara County, Cal.—BOND OFFERING.—Proposals will be received until 11 a. m. Oct. 7, it is stated, for the \$4,500 5% 2-10-yr (ser.) bonds voted July 22 (V. 95, p. 373).

BALTIC, Tuscarawas County, Ohio.—BOND OFFERING.—Further details are at hand relative to the offering on Oct. 18 of the \$11,000 4 1/4% water-works-system bonds (V. 95, p. 496). Proposals for these bonds will be received until 12 m. on that day by A. F. Hahn, Village Clerk. Denom. \$500. Date Sept. 1 1912. Interest annually. Due \$500 yearly on Sept. 1 from 1914 to 1934, incl. Certified check for 5% of bonds bid for, payable to the Village Treas., required. Bonds to be delivered within 10 days from time of award. Purchaser to pay accrued interest.

BARRY COUNTY (P. O. Cassville), Mo.—BOND SALE.—On Sept. 16 the \$40,000 5% 3-10-yr. (opt.) court-house bonds (V. 95, p. 635) were awarded to the Barry County Bank in Cassville at par. The Treasurer reports the other bids as follows:

Harris Tr. & Sav. Bk., Chic. \$40,015 | Commonwealth Trust Co.,
Miss. Val. Tr. Co., St. Louis. 40,005 | St. Louis. 40,000
Denom. \$500. Date Sept. 3 1912. Int. M. & S.

BAY CITY, BAY COUNTY, Mich.—BOND SALE.—On Sept. 16 the \$10,000 5% 5-yr. local-impt. bonds (V. 95, p. 700) were awarded to Otis & Co. of Cleveland at 103 and int.—a basis of about 4.327%. Other bids: Hoehler & Cummings, Tol. \$10,201 25 | Bay City Bank, Bay City. 10,055
E. H. Rollins & Sons, Chic. 10,187 70 | A. B. Leach & Co., Chicago. 10,028
W. E. Moss & Co., Detroit 10,157 00 | Lumberman's State Bank,
Old Second Nat. Bank, Bay City. 10,125 00

BELL COUNTY COMMON SCHOOL DISTRICT NO. 37, Tex.—BONDS AWARDED IN PART.—The State Permanent School Fund purchased at par and int. on Sept. 10 \$1,500 of an issue of \$3,000 5% 20-40-year (opt.) building bonds, dated May 1 1912.

BELMONT COUNTY (P. O. St. Clairsville), Ohio.—BONDS PROPOSED.—This county has decided to issue bridge bonds, reports state.

BENWOOD UNION HIGH SCHOOL DISTRICT (P. O. Benwood), W. Va.—BOND OFFERING.—Proposals will be received until 2 p. m. Oct. 9 by C. L. Evans, Secy., or M. F. Deegan of Benwood and C. R. Lowe, of McMechen, Commrs., for \$80,000 5% coupon high-school-bldg. bonds. Auth. vote of 687 to 245 at election held May 25. Denom. \$500. Date July 1 1912. Int. J. & J. at the Bank or Benwood, in Benwood. Due July 1 1922 to July 1 1942. Official circular states that the district has never defaulted. Transcript of records will be furnished.

BIG RAPIDS, Mecosta County, Mich.—BONDS DEFEATED.—The question of issuing \$50,000 water-works bonds was defeated at the election held Sept. 17.

BLACKVILLE SCHOOL DISTRICT NO. 19 (P. O. Blackville), Barnwell County, So. Caro.—BOND OFFERING.—Proposals will be received until Oct. 1 for \$16,500 (not \$20,000, as originally advertised) 6% 20-year school bonds of \$500 each. S. R. Boylston is Sec. Board of School Trustees. (V. 95, p. 496)

BLOOMFIELD, Essex County, N. J.—NO ACTION YET TAKEN.—The Town Clerk advises us, under date of Sept. 19, that no action has yet been taken looking toward the issuance of the \$250,000 4 1/4% school and water-impt. refunding bonds (V. 95, p. 434).

BOMARTON INDEPENDENT SCHOOL DISTRICT (P. O. Bomarton), Baylor County, Tex.—BONDS AWARDED IN PART.—On Sept. 10

\$2,520 5% 10-40-year (opt.) building bonds were purchased by the State Permanent School Fund at par and int. These bonds are part of an issue of \$8,400 \$2,520 of which has already been sold (V. 95, p. 249).

BONNEVILLE COUNTY INDEPENDENT-SCHOOL DISTRICT NO. 1, (P. O. Idaho Falls), Idaho.—BOND SALE.—On Sept. 11 \$30,000 10-20-yr. (opt.) coup. bldg. bonds were awarded to Wm. E. Sweet & Co. and the International Trust Co. of Denver at 100.80 for 5s. Authority, vote of 145 to 6 at an election held July 29. Denom. \$1,000. Date Oct. 1 1912. Int. semi-annually in New York.

BOONE COUNTY (P. O. Columbia), Mo.—BONDS VOTED.—According to reports, an election held Sept. 9 resulted in favor of the proposition to issue \$1,800 Deer Park special road district bonds.

BOSTON, Mass.—BOND OFFERING.—Proposals will be received until 12 m. Sept. 27 by Chas. H. Slattery, City Treas., for the following 4% registered tax-free bonds:

\$1,500,000 Boylston St. subway bonds. Due Oct. 1 1957.
1,000,000 Dorchester tunnel bonds. Due Oct. 1 1957.
200,000 East Boston tunnel-extension bonds. Due Oct. 1 1957.
364,000 Arlington St. extension bonds. Due \$19,000 yearly on Oct. 1 from 1913 to 1916, incl., and \$18,000 yearly on Oct. 1 from 1917 to 1932, inclusive.
150,000 refuse-station bonds. Due \$10,000 yearly on Oct. 1 from 1913 to 1927, inclusive.
50,000 playground bonds. Due \$3,000 yearly on Oct. 1 from 1913 to 1922, incl., and \$2,000 yearly on Oct. 1 from 1923 to 1932, incl.
400,000 drainage-system bonds. Due \$16,000 yearly on Oct. 1 from 1913 to 1937, inclusive.
150,000 sewerage-works bonds. Due \$6,000 yearly on Oct. 1 from 1932 to 1937, inclusive.
175,000 sewerage-works bonds. Due \$7,000 yearly on Oct. 1 from 1913 to 1937, inclusive.
100,000 sewerage-works bonds. Due \$4,000 yearly on Oct. 1 from 1913 to 1937, inclusive.

Denom. \$1,000 or multiples thereof. Date Oct. 1 1912. Int. A. & O. at office of City Treas. Certified check on a Boston national bank or trust company (or cash) for 1% of bonds bid for, payable to the City Treasurer, required. Bonds will be ready for delivery Oct. 7.

TEMPORARY LOAN.—Local papers state that a loan of \$1,650,000 in anticipation of taxes has been negotiated with several local banks.

BOWEN, Hancock County, Ill.—BOND SALE.—An issue of \$5,000 5% sidewalk-construction bonds has been purchased by the Farmers' Bank of Bowen at par. Denom. \$500. Int. annually in July. Due 20 years, optional at any interest-paying date.

BRONXVILLE, Westchester County, N. Y.—BONDS RE-OFFERED.—Dispatches state that the \$33,040 road bonds awarded on Sept. 9 (V. 95, p. 700) are being re-offered, proposals to be received until 8 p. m. Oct. 1 by Village Clerk, Frank Rinsmore.

BUFFALO, N. Y.—BOND OFFERING.—Proposals will be received until 12 m. Sept. 27 by W. G. Justice, City Comp., for the following 4 1/4% registered tax-free bonds:

\$500,000 school bonds (V. 95, p. 249). Due Oct. 1 1932.
300,000 water bonds (V. 95, p. 249). Due Oct. 1 1932.
111,000 water refunding bonds (V. 95, p. 249). Due Oct. 1 1937.
188,800 park bonds. Due Oct. 1 1962, opt. beginning Oct. 1 1932.
135,000 police and fire-dept. bonds (V. 95, p. 701). Due Oct. 1 1932.
50,000 hospital bonds (V. 95, p. 701). Due Oct. 1 1932.

Denom. \$1,000. Date Oct. 1 1912. Int. A. & O. at office of City Comp., or at the Hanover National Bank in New York City. An unconditional certified check on an incorporated bank or trust company for 2% of bonds bid for, payable to the Comptroller, required.

BURLEY, Cassia County, Idaho.—DESCRIPTION OF BONDS.—The \$85,000 6% 10-20-yr. (opt.) bonds awarded on Aug. 20 to H. C. Speer & Sons Co. of Chic. at par (V. 95, p. 635) are in the denom. of \$1,000 each and dated June 1 1912. Int. J. & J.
These bonds were awarded in May to Jas. N. Wright & Co. of Denver, but that sale, we are advised, was not consummated.

CALDWELL COUNTY COMMON SCHOOL DISTRICT NO. 40, Tex.—BONDS REGISTERED.—On Sept. 10 the State Comptroller registered \$6,000 5% 10-40-year (opt.) building bonds, dated June 1 1912.

BONDS AWARDED IN PART.—On the same day \$2,000 of the above-amount was purchased by the State Permanent School Fund at par and int.

CALHOUN COUNTY (P. O. St. Matthews), So. Car.—BOND ELECTION.—An election will be held Nov. 5 to vote on the proposition to issue \$20,000 5% 20-40-yr. (opt.) court-house bonds.

CALLAHAN COUNTY COMMON SCHOOL DISTRICT NO. 19, Tex.—BONDS REGISTERED AND SOLD.—An issue of \$1,000 5% 10-20-year (opt.) building bonds, dated May 21 1912, was registered by the State Comptroller on Sept. 10.

On the same day these bonds were purchased at par and int. by the State Permanent School Fund.

CAMDEN, N. J.—BONDS PROPOSED.—According to local papers, this borough proposes to issue \$90,000 street-impt. bonds.

CAMERON COUNTY DRAINAGE DISTRICT NO. 3, Tex.—BONDS REGISTERED.—On Sept. 14 \$45,000 5% bonds were registered by the State Comptroller.

CAMILLA, Mitchell County, Ga.—BOND ELECTION.—An election will be held Oct. 9, it is stated, to vote on the proposition to issue \$5,000 school-bldg.-impt., \$2,500 sewerage-system-impt., \$10,000 electric-light and water-works-system-impt. and \$10,000 city-hall bonds.

CANTON, Ohio.—BOND SALE.—On Sept. 16 the three issues of 4 1/4% bonds, aggregating \$18,500 (V. 95, p. 560) were awarded to Hayden, Miller & Co. of Cleveland for \$18,862 50 (101.954) and int. Other bids follow:

	Issue.	Issue.	Issue.
Stacy & Braun, Toledo.	\$13,700	\$3,300	\$1,500
Well, Roth & Co., Cincinnati.	237 00	88 75	111 00
Seasonood & Mayer, Cincinnati.	190 00		
Breed & Harrison, Cincinnati.	171 25		
Spitzer, Rorick & Co., Toledo.	102 75	33 00	7 50

CANUTILLO SCHOOL DISTRICT, Texas.—BOND ELECTION PROPOSED.—This place will hold an election to vote on the question of issuing \$5,000 school-house bonds, reports state.

CAREY, Wyandott County, Ohio.—BOND OFFERING.—Proposals will be received until 12 m. Oct. 7 by D. C. Angus, Clerk, for \$8,500 5% Vance St. Impt. (village's portion) bonds. Auth. Sec. 3939 Gen. Code. Denom. \$500. Date Oct. 1 1912. Int. A. & O. Due \$1,000 yearly on April 1 from 1914 to 1921 incl. and \$500 April 1 1922. Cert. check for 10% of bonds bid for, payable to L. S. Stahl, Vill. Treas., required. Bonds to be delivered within 10 days from time of award. Purch. to pay accrued int.

CARLISLE SPECIAL SCHOOL DISTRICT (P. O. Carlisle), Lonoke County, Ark.—DESCRIPTION OF BONDS.—The \$20,000 6% 13-28-yr. (opt.) bldg. bonds sold on Aug. 1 at par (V. 95, p. 701) are in the denom. of \$500 each and dated Aug. 1 1912. Int. F. & A.

CFCIL COUNTY (P. O. Elkton), Md.—BOND OFFERING.—Further details are at hand relative to the offering on Sept. 24 of the \$25,000 5% tax-free road-impt. bonds (V. 95, p. 701). Proposals for these bonds will be received by the Co. Commrs., W. C. Martindell, Clerk. Denom. \$500. Date July 1 1908. Int. J. & J. at the Co. Commrs. office. Due \$20,000 July 1 1928 and \$5,000 July 1 1938. Cert. check for 10% of bid required.

CEDARHURST, Nassau County, N. Y.—BONDS VOTED.—An election held Sept. 16 resulted in favor of the question of issuing \$30,000 street-paving and \$2,000 catch-basin bonds, reports state.

CHANEYVILLE INDEPENEDNT SCHOOL DISTRICT, Tex.—BONDS REGISTERED.—The State Comptroller registered on Sept. 10 \$7,000 5% 20-40-year (opt.) building bonds, dated July 1 1912.

BONDS AWARDED IN PART.—Of the above amount, \$2,000 was purchased at par and int. by the State Permanent School Fund on the same day.

CHARLOTTE, Mecklenburg County, No. Caro.—BOND SALE.—Local papers state that this city has disposed of an issue of \$140,000 sewer bonds

CHATTANOOGA, Tenn.—BOND SALE.—On Sept. 16 \$17,400 80 6% 1-4-year paying bonds were awarded to the First Nat. Bank of Cleveland for \$17,726 70 (101.87) and int. Date Aug. 13 1912.

CHESTER, Chester County, So. Car.—BOND SALE.—W. N. Coler & Co. of N. Y. were awarded at 101.51 an issue of \$24,000 5% 30-yr. refunding bonds. Denom. \$100. Date Oct. 1 1912. Int. A. & J. O.

CHURDAN, Iowa.—BONDS VOTED.—The election held Sept. 17 resulted in favor of the proposition to issue \$5,000 water-works and \$10,000 electric-light-plant bonds (V. 95, p. 701). The vote was 100 to 13 and 96 to 17, respectively.

CLARKE COUNTY (P. O. Quitman), Miss.—BOND OFFERING.—Proposals will be received until 2 p. m. Oct. 7 by W. H. Foster, Clerk of Board, for \$50,000 (not \$20,000 as at first reported) 5% 5-20-yr. (opt.) court-house and jail bonds. Int. annual. Cert. check for \$2,500 required.

CLEVELAND, Ohio.—BONDS AUTHORIZED.—Ordinances were passed on Sept. 16 providing for the issuance of the following 4% coupon bonds:

\$175,000 infirmary and hospital bonds. Due Oct. 1 1947.
125,000 fire-department bonds. Due Oct. 1 1947.
35,000 police-department bonds. Due Oct. 1 1947.
25,000 river and harbor bonds. Due Oct. 1 1947.
180,000 house of correction bonds. Due Oct. 1 1947.
225,000 park bonds. Due Oct. 1 1947.
50,000 refuge and correction bonds. Due Oct. 1 1947.
50,000 garbage-disposal bonds. Due Oct. 1 1952.
Denomination \$1,000. Date Oct. 1 1912. Int. A. & O. at the American Exchange Nat. Bank in N. Y.

CLYDE INDEPENDENT SCHOOL DISTRICT (P. O. Clyde), Callahan County, Tex.—BONDS REGISTERED.—On Sept. 10 an issue of \$6,000 5% 20-40-year (opt.) building bonds, dated July 1 1912, was registered by the State Comptroller.

BONDS AWARDED IN PART.—Of the above amount \$2,000 was purchased on the same day by the State Permanent School Fund at par and int.

COBLESKILL SCHOOL DISTRICT (P. O. Cobleskill), Schoharie County, N. Y.—BONDS DEFEATED.—An election held Sept. 6 resulted in the defeat of a proposition to issue \$83,000 bonds. The vote was 131 "for" to 142 "against."

CODY CANAL IRRIGATION DISTRICT, Park County, Wyo.—BOND OFFERING.—Proposals will be received until 2 p. m. Oct. 19 by the Board of Directors (S. E. Eldred, Clerk, P. O. Cody) for \$95,000 6% bonds. Denom. \$1,000. Interest semi-annual. Due serially from 11 to 20 years. Inclusive.

COLERIDGE, Cedar County, Neb.—BOND OFFERING.—We are advised that the \$8,500 5% 5-20-yr. (opt.) water-works-extension bonds voted Aug. 5 (V. 95, p. 374) are now ready for sale. Date Sept. 1 1912.

COLLINGSWORTH COUNTY COMMON SCHOOL DISTRICT NO. 10, Tex.—BONDS REGISTERED AND SOLD.—The State Comptroller registered on Sept. 10 \$3,000 5% 20-year building bonds, dated July 1 1912. These bonds were purchased on the same day by the State Permanent School Fund at par and interest.

COLUMBUS, Ohio.—BONDS AUTHORIZED.—Ordinances were passed on Sept. 3 providing for the issuance of \$3,000 alley east of Ninth St. and \$4,000 Born St. imp. 4% coupon assessment bonds. Denom. \$1,000. Date not later than March 1 1913. Int. M. & S. at office of City Treas. Due Sept. 1 1924, subject to call beginning Sept. 1 1913.

Ordinances were also passed on Sept. 9 providing for the issuance of the following coupon assessment bonds:

\$1,000 4½% alley north of Markison Ave. sewer-construction bonds. Date not later than March 1 1913. Due Sept. 1 1918, optional beginning Sept. 1 1913.
23,000 4% Terrace Ave. imp. bonds. Date not later than Sept. 1 1913. Due Sept. 1 1924.
10,000 4½% Ninth Ave. imp. bonds. Date not later than March 1 1913. Due March 1 1924.
1,000 4½% alley west of Harris Ave. sewer bonds. Date not later than March 1 1913. Due Sept. 1 1918, optional beg. Sept. 1 1913.
8,000 4% Fourth St. imp. bonds. Date not later than March 1 1913. Due March 1 1924, opt. beginning March 1 1914.
6,000 4% Alden Ave. imp. bonds. Date not later than Dec. 1 1912. Due Sept. 1 1923, optional beginning Sept. 1 1913.
3,000 4% Wesley Ave. imp. bonds. Date not later than Dec. 1 1912. Due Sept. 1 1923, optional beginning Sept. 1 1913.
3,000 4% Moler St. imp. bonds. Date not later than March 1 1913. Due March 1 1924, optional beginning March 1 1914.
4,000 4% Tompkins St. imp. bonds. Date not later than Dec. 1 1912. Due Sept. 1 1923, optional beginning Sept. 1 1913.
17,000 4% Richardson Ave. imp. bonds. Date not later than Sept. 1 1913. Due Sept. 1 1924.
5,000 4% alley south of Broad St. imp. bonds. Date not later than March 1 1913. Due Sept. 1 1924, opt. beginning Sept. 1 1914.
11,000 4% Shultz Ave. imp. bonds. Date not later than March 1 1913. Due Sept. 1 1924.
8,000 4% Waldeck Ave. imp. bonds. Date not later than March 1 1913. Due Sept. 1 1924, optional beginning Sept. 1 1914.
22,000 4% Burgess Ave. imp. bonds. Date not later than Sept. 1 1913. Due Sept. 1 1924.

Denom. \$1,000. Int. M. & S. at office of the City Treasurer.
BOND SALE.—On Sept. 16 the eleven issues of 4% tax-free bonds held by the Sinking Fund as an investment (V. 95, p. 701) were awarded as follows:

\$297,000 grade-crossing bonds to Barto, Scott & Co., Columbus, and Well, Roth & Co., Cincinnati, jointly for \$306,989 20 (103.363) Due Oct. 1 1947.
70,000 public-improvement No. 22 (city's portion) bonds to the Ohio National Bank, Barto, Scott & Co. and the Huntington National Bank of Columbus for \$70,732 (101.0437). Due Sept. 1 1921.
50,000 public-improvement No. 23 (city's portion) bonds to the New First National Bank of Columbus for \$50,612 (101.224). Due Sept. 1 1921.
150,000 public-improvement No. 24 (city's portion) bonds to the New First National Bank of Columbus for \$151,577 (101.0513). Due Sept. 1 1921.
15,000 police sub-station bonds to Well, Roth & Co. of Cincinnati for \$15,465 (103.10). Due Oct. 1 1939.
16,000 Haviland Ave. improvement bonds to the New First National Bank of Columbus for \$16,163 (101.018).
19,000 Morrill Ave. improvement bonds jointly to the Ohio National Bank, Barto, Scott & Co. and the Huntington National Bank of Columbus for \$19,239 90 (101.262). Due Sept. 1 1921.
10,000 Thomas Ave. improvement bonds to the Citizens' Trust & Savings Bank of Columbus at 101.89. Due Sept. 1 1921.
27,000 Glenwood Ave. improvement bonds jointly to the Ohio National Bank, Barto, Scott & Co. and the Huntington National Bank of Columbus for \$27,341 60 (101.26). Due March 1 1922.
9,000 Germania St. improvement bonds to the Citizens' Trust & Savings Bank of Columbus at 102. Due March 1 1922.
40,000 Central District cluster-lighting bonds jointly to the Ohio National Bank, Barto, Scott & Co. and the Huntington National Bank of Columbus at 100.64. Due March 1 1919.

COMANCHE COUNTY COMMON SCHOOL DISTRICT NO. 65, Tex.—BONDS REGISTERED.—On Sept. 10 an issue of \$10,000 5% 10-40-year (opt.) building bonds, dated April 10 1912, was registered by the State Comptroller.

BONDS AWARDED IN PART.—The State Permanent School Fund purchased on the same day \$3,000 of the above amount at par and interest.

COOPER, Delta County, Texas.—BONDS VOTED.—An election held Sept. 7 resulted, reports state, in favor of the proposition to issue \$6,000 40-yr. school bonds.

CORPUS CHRISTI, Nueces County, Tex.—DESCRIPTION OF BONDS.—The \$14,000 5% 10-40-yr. (opt.) sewer bonds awarded to Farson, Son & Co. of Chicago at par and int. (V. 95, p. 701) are in denom. of \$1,000 each and dated Nov. 1 1909. Int. semi-ann.

COTTLE COUNTY COMMON SCHOOL DISTRICT NO. 17, Texas.—BONDS AWARDED IN PART.—Of an issue of \$7,500 5% 10-40-year (opt.) bonds dated April 10 1912, \$2,500 was awarded on Sept. 10 to the State School Fund at par and interest. Of this issue, \$2,500 had previously been sold (V. 95, p. 497).

CRETE, Will County, Ill.—BOND OFFERING.—Proposals will be received until 7:30 p. m. Sept. 28 by John Plepenbrink, Vill. Clerk, for the \$9,000 5% coup. water-works-ext. bonds voted Aug. 10 (V. 95, p. 435). Denom. \$500. Date Sept. 1 1912. Int. M. & S. at the Illinois State Bank of Crete. Due \$1,000 yrly. Sept. 1 from 1913 to 1921 incl. Cert. check (or cash) for 10% of the bonds, payable to the Vill. Pres., required. Purchaser to pay accrued int., furnish blank bonds in form designated by village and pay attorney fees. No debt at present. Assess. val. for 1911, \$190,927.

CROCKETT COUNTY COMMON SCHOOL DISTRICT NO. 1, Texas.—BONDS AWARDED IN PART.—On Sept. 10 the State Permanent School Fund purchased at par and interest \$2,000 of the \$20,000 5% 5-40-year (opt.) building bonds, dated June 10 1912, \$12,000 of which have already been disposed of (V. 95, p. 249).

CROWLEY SIXTH WARD DRAINAGE DISTRICT, La.—BOND OFFERING.—Proposals will be received until 2 p. m. Sept. 28 by L. A. Williams, Sec.-Treas., (P. O. Crowley), for the \$60,000 5% drainage-system improvement bonds voted Aug. 27 (V. 95, p. 636). Date Nov. 1 1912. Interest semi-annual. Due serially from 1 to 31 years, with option to redeem unpaid bonds after 20 years. Certified check for \$1,000 required.

CUSTER COUNTY SCHOOL DISTRICT NO. 12, Mont.—BONDS WITHDRAWN FROM MARKET.—The \$2,000 bonds offered on Aug. 23 have been withdrawn from the market, we are informed, as it is too late in the season to build.

CUSTER COUNTY SCHOOL DISTRICT NO. 19 (P. O. Carlyle), Mont.—BOND SALE.—On Sept. 10 the \$2,000 6% 4-5-yr. (opt.) coup. bldg. bonds (V. 95, p. 561) were awarded to the State Board of Land Comm'rs of Helena at par and int. A bid of \$2,011 (100.55) was also received from the First Nat. Bank of Barnesville, Ohio.

CUYAHOGA COUNTY (P. O. Cleveland), Ohio.—BOND SALE.—On Sept. 18 the \$10,300 4% coupon Fischer Road No. 2 county's portion bonds (V. 95, p. 561), were awarded to Otis & Co. of Cleveland for \$10,345, making the price 100.436. Other bids follow: Well, Roth & Co., Cin.-----\$10,313; Hayden, Miller & Co., Clev.-----\$10,303

DALLAS CITY, Ore.—BOND SALE.—On Sept. 7 the \$90,000 20-25-yr. (opt.) gold sewerage system bonds (V. 95, p. 435) were awarded to the Merchants' Savings & Trust Co. of Portland for \$90,951 (101.056) and int. for 5s. Other bids follow:

For 5s.
E. H. Rollins & Sons-----\$90,522
For 5½s.
Carstens & Earles, Inc., Seat 94,491
Well, Roth & Co., Chicago-----94,284
E. H. Rollins & Sons-----93,357
John Nuveen & Co., Chicago-----92,782
N. W. Halsey & Co., San Fr.-----92,277
Wm. E. Sweet & Co., Denver-----90,052
Farson, Son & Co., Chicago-----91,818

DALLAS COUNTY COMMON SCHOOL DISTRICT NO. 9, Texas.—BONDS AWARDED IN PART.—The State School Fund was awarded on Sept. 10 at par and int. \$2,000 of an issue of \$6,000 5% 20-year bonds dated April 10 1912. Of these bonds \$2,000 had already been disposed of (V. 95, p. 497).

DANVILLE, Boyle County, Ky.—BOND ELECTION.—In addition to the \$18,000 sewerage-system-exten. bonds to be voted upon at the November election (V. 95, p. 701), the proposition to issue \$10,000 work-house removing and prison-constr. bonds will also be submitted to the people at that time.

DAVENPORT (TOWN) UNION FREE SCHOOL DISTRICT NO. 1 (P. O. Davenport), Delaware County, N. Y.—BONDS VOTED.—The question of issuing \$4,000 building bonds received a favorable vote at an election held recently. We are advised that these bonds will not be offered until next spring.

DAWSON COUNTY SCHOOL DISTRICT NO. 70, Mont.—BOND SALE.—On Aug. 31 \$1,200 6% 5-10-yr. (opt.) bldg. bonds were awarded to the State Bd. of Land Comm'rs at par. Denom. \$100. Date Aug. 31 1912. Int. ann.

DAYTON, Ohio.—BOND OFFERING.—Proposals will be received until 12 m. Oct. 7 by G. W. Bish, City Auditor, for the following coupon bonds: \$2,700 4½% park-imp. bonds. Denom. (2) \$1,000 and (1) \$700. Due Sept. 1 1919.

15,200 4% bridge bonds. Denom. (14) \$1,000 and (1) \$1,200. Due \$1,200 Sept. 1 1924 and \$2,000 yrly. Sept. 1 1925 to 1931 inclusive.

Date Sept. 1 1912. Int. semi-ann. in N. Y. Cert. check on a national bank for 5% of bonds bid for, is required.

DEPORT INDEPENDENT SCHOOL DISTRICT (P. O. Deport), Lamar County, Tex.—BONDS AWARDED IN PART.—On Sept. 10 the State Permanent School Fund purchased at par and int. \$4,000 of the issue of \$18,000 5% 10-40-year (opt.) building bonds registered by the State Comptroller on Aug. 28 (V. 95, p. 636). The bonds are dated July 1 1912.

DUNBAR, Fayette County, Pa.—BOND ELECTION.—An election will be held Nov. 5, reports state, to vote on the question of issuing \$25,000 street and sewer imp. bonds.

EAST CHICAGO SCHOOL DISTRICT (P. O. East Chicago), Lake County, Ind.—BOND SALE.—We are advised that this district has disposed of an issue of \$75,000 5% coupon tax-free bonds. Date Aug. 1 1912. Int. F. & A. at the First Nat. Bank in East Chicago.

EAST LIVERPOOL, Columbiana County, Ohio.—BONDS PROPOSED.—Reports state that this city proposes to issue \$15,000 street-imp. bonds.

EASTON, Northampton County, Pa.—BOND SALE.—We are advised under date of Sept. 18 that the \$45,000 4% 5-30-yr. (opt.) coup. tax-free street-imp. bonds offered on Aug. 7 (V. 95, p. 205) have been sold to local investors at par and int.

EAST PALESTINE, Columbiana County, Ohio.—BOND SALE.—On Sept. 9 the \$1,500 5% 2-4-yr. (ser.) street-imp. (village's portion) bonds (V. 95, p. 435) were awarded to the First Nat. Bank of East Palestine at 100.20 and int.

EDGEWOOD INDEPENDENT SCHOOL DISTRICT (P. O. Edgewood), Van Zandt County, Tex.—BONDS AWARDED IN PART.—On Sept. 10 \$3,000 of the \$12,000 5% 15-40-year (opt.) building bonds registered Aug. 10 (V. 95, p. 497) were purchased by the State Permanent School Fund at par and interest. Date May 6 1912.

ELKO, Elko County, Nev.—BOND SALE.—On Sept. 11 \$60,000 6% sewerage-system bonds were awarded to Ulen & Co., of Chicago, at 101.601. Due \$3,000 Jan. 1 1915 and 1916, \$4,000 1917, and \$5,000 yrly 1918 to 1927 incl. Int. ann. in Jan ary.

EL PASO, El Paso County, Tex.—BOND ELECTION.—An election will be held shortly, it is expected, to vote on the issuance of \$400,000 municipal bonds.

EL PASO COUNTY (P. O. El Paso), Tex.—BONDS VOTED.—An election held Sept. 2 resulted in favor of the proposition to issue the \$71,000 irrigation bonds (V. 95, p. 561). The vote, reports state, was unanimous.

ERIE COUNTY (P. O. Sandusky), Ohio.—BOND OFFERING.—Proposals will be received, it is stated, until 12 m. Oct. 17 by John Deist, Co. Aud., for \$43,000 4% refunding bonds. Interest semi-ann. Cert. check for 5% required.

ERIE TOWNSHIP, Ottawa County, Ohio.—BOND OFFERING.—Proposals will be received until 12 m. Sept. 30 by O. E. Knight, Twp. Clerk, (P. O. Port Clinton), for \$10,000 5% public-highway bonds. Auth. Sec. 7035 to 7049, incl. Gen. Code. Denom. \$500. Date Sept. 30 1912. Int. M. & S. Due \$1,000 yearly on Sept. 30 from 1927 to 1936 incl. Cert. check on an Oak Harbor or Port Clinton, Ohio, bank for \$300, payable to the Twp. Treas., required. Bonds to be delivered within 10 days from time of award. Purchaser to pay accrued interest.

ESSEX COUNTY (P. O. Salem), Mass.—NOTE SALE.—On Sept. 16 the \$130,000 Fox Hill bridge tax-free notes due Mch. 1 1913 (V. 95, p. 701), were awarded to the Central Nat. Bank, Lynn, at 4.85% discount.

EXCELSIOR SPRINGS, Clay County, Mo.—BOND OFFERING.—Proposals will be received until Sept. 30 by W. A. Craven, City Clerk, for \$22,000 5% 20-yr. main-sewer-constr. bonds. Auth. vote of 288 to 49 at election held Sept. 12. Denom. \$100 to \$1,000. Int. semi-ann.

FIFTH LOUISIANA LEVEE DISTRICT, La.—BOND SALE.—The Commercial Germania Trust & Sav. Bank and the Whitney Central Trust & Sav. Bank of New Orleans were jointly awarded on Sept. 11 at 100.258 an issue of \$250,000 bonds.

FLORESVILLE, Wilson County, Tex.—BONDS TO BE ISSUED SHORTLY.—Reports state that this city will sell an issue of \$20,000 school bldg. bonds in the near future.

FOND DU LAC, Fond du Lac County, Wis.—BOND OFFERING.—Proposals will be received until 3 p. m. Oct. 8 by J. F. Hohensee, City Clerk, for the \$25,000 5% water-works bonds (V. 95, p. 561). Cert. check for \$250, payable to the City Treas., required.

FRUITLAND SCHOOL DISTRICT (P. O. Fruitland), Humboldt County, Cal.—BOND ELECTION.—Reports state that an election will be held Oct. 9 to decide whether or not this district shall issue \$35,000 5% building bonds.

FULTON COUNTY (P. O. Wauseon), Ohio.—BOND SALE.—On Sept. 17 the \$20,000 4½% Road No. 60 Impt. bonds (V. 95, p. 561) were awarded to the New First Nat. Bank of Col. at 101.30 and int. Other bids follow: Hayden, Miller & Co., Cleve., \$20,216 00; Rothfuss, Barnes & Co., Tol., \$20,201 00; First Nat. Bank, Cleve., 20,209 80; Breed & Harrison, Cin., 20,110 00; Well, Roth & Co., Cin., 20,202 00; Spitzer, Rorick & Co., Tol., 20,057 00.

GALLATIN COUNTY SCHOOL DISTRICT NO. 65, Mont.—BOND SALE.—On Aug. 21 \$1,000 6% 8-10-yr. (opt.) bonds were awarded to the State Board of Land Commissioners at par. Denom. \$100. Date Aug. 1 1912. Int. ann. at the County Treasurer's office.

GALION, Crawford County, Ohio.—BIDS.—The premiums offered for the four issues of 4½% street-impt. assess. bonds, aggregating \$45,500, awarded Sept. 9 to the Davies-Bertram Co. of Cin. (V. 95, p. 702) were as follows:

	\$12,000 issue.	\$14,000 issue.	\$17,000 issue.	\$2,500 issue.
Davies-Bertram Co., Cincinnati	\$365 00	\$461 00	\$541 00	\$66 00
New First Nat. Bank, Columbus	367 00	443 00	538 00	28 00
Otis & Co., Cleveland	360 00	420 00	514 00	—
Well, Roth & Co., Cincinnati	330 00	385 00	467 50	29 25
Stacy & Braun, Toledo	326 60	400 96	460 60	49 86
Barto, Scott & Co., Columbus	304 00	385 00	425 00	57 00
Hayden, Miller & Co., Cleveland	302 00	379 00	432 00	60 00
First National Bank, Cleveland	294 60	368 30	428 60	56 60
Provident Savings Bank & Trust Co., Cin.	288 00	361 20	423 30	—
Seasongood & Mayer, Cincinnati	286 00	360 00	410 00	38 00

GAUSE INDEPENDENT SCHOOL DISTRICT (P. O. Gause), Milam County, Tex.—BONDS REGISTERED.—An issue of \$9,000 5% 10-40-year (opt.) building bonds, dated Aug. 1 1912, was registered on Sept. 10 by the State Comptroller.

BONDS AWARDED IN PART.—On the same day \$3,000 of the above amount was purchased at par and int. by the State Permanent School Fund.

GLEN COVE, Nassau County, N. Y.—BOND SALE.—On Aug. 12 \$138,000 4½% 5-27-yr. (ser.) sewer bonds were awarded to Harris, Forbes & Co. of N. Y. at 101. Denom. \$1,000. Date Sept. 3 1912. Int. M. & S.

GORDON COUNTY (P. O. Calhoun), Ga.—BONDS DEFEATED.—The question of issuing the \$150,000 road-impt. bonds (V. 95, p. 636) failed to carry, it is reported, at the election held Sept. 13, the vote being 193 "for" and 860 "against."

GRAPELAND INDEPENDENT SCHOOL DISTRICT (P. O. Grapeland), Houston County, Texas.—BONDS AWARDED IN PART.—On Sept. 10 the State Permanent School Fund purchased at par and int. \$3,000 5% 20-40-year (opt.) building bonds, dated June 3 1912. These bonds are part of an issue of \$10,000, \$3,000 of which have already been sold (V. 95, p. 498).

GRAY COUNTY COMMON SCHOOL DISTRICT NO. 7, Texas.—BONDS AWARDED IN PART.—On Sept. 10 \$2,550 5% 20-40-year (opt.) building bonds, dated May 13 1912, were purchased at par and int. by the State Permanent School Fund. These bonds are part of an issue of \$8,500, \$2,550 of which has already been sold (V. 95, p. 250).

GLENVILLE (Town Union School District No. 2), N. Y.—BOND SALE.—On Sept. 9 \$12,000 5% school bonds were awarded to Adams & Co. of N. Y. at 102.04. Denom. \$1,000. Date July 1 1912. Int. J. & J. Rue \$500 yrlly. Jan. 1918 to 1923 incl. and \$1,000 yrlly. from 1924 to 1932 inclusive.

GREAT BEND, Susquehanna County, Pa.—NO ACTION YET TAKEN.—No action will be taken looking towards the issuance of the \$5,000 paving bonds voted Aug. 6 (V. 95, p. 374), we are informed, until the State authorities start their part of the work.

GREENSBORO, Guilford County, No. Car.—BOND SALE.—On Sept. 16 the three issues of 5% 30-year coupon bonds, aggregating \$80,000 (V. 95, p. 636) were awarded to the American Exchange National Bank in Greensboro at 102.81625—a basis of about 4.822%. Other bids follow: Well, Roth & Co., Cin., \$82,200 00; R. M. Grant & Co., Tol., \$81,342 40; Baker, Watts & Co., Balt., 81,676 80; R. Kleybolte & Co., Inc., Cin., 81,328 00; Bolger, Mosser & Willa-man, Chicago, 81,610 00; Provident Savings Bank & Trust Co., Cincinnati, 80,696 00; Stacy & Braun, Toledo, 81,357 00; Home Sav. Bk., Greensb., 10,358 50.

GREENVILLE, Mercer County, Pa.—BOND SALE.—The Colonia Trust Co. of Pittsburgh was awarded \$23,000 bonds, it is stated.

GREENE COUNTY (P. O. Springfield), Mo.—BONDS VOTED.—An election held in Brookline-Springfield Special Road Dist. on Aug. 31, resulted, it is stated, in favor of the proposition to issue \$18,000 road constr. bonds.

GUADALUPE COUNTY COMMON SCHOOL DISTRICT NO. 6, Texas.—BONDS REGISTERED.—The State Comptroller registered on Sept. 10 \$7,000 5% building bonds, dated April 10 1912.

BONDS AWARDED IN PART.—The State Permanent School Fund purchased at par and int. \$2,625 of the above bonds on the same day (Sept. 10).

GUILFORD COUNTY (P. O. Greensboro), No. Caro.—BONDS VOTED.—The election held Sept. 17 resulted, it is stated, in favor of the propositions to issue the \$100,000 Gilmer Twp. and \$100,000 Moorehead Twp. railway-aid bonds (V. 95, p. 498).

GUYMON, Texas County, Okla.—BONDS PROPOSED.—According to reports, this city is considering the issuance of \$8,000 bonds to pay outstanding warrants.

HAMILTON, Hancock County, Ill.—BONDS OFFERED BY BANKERS.—The H. C. Speer & Sons Co. of Chicago is offering to investors \$20,000 5% 10-19-year (serial) water-works bonds. Denom. \$100. Date March 1 1912. Int. annually in March at Chicago. No other debt. Assessed valuation in 1911, \$614,089.

HAMLIN INDEPENDENT SCHOOL DISTRICT (P. O. Hamlin), Jones County, Tex.—BONDS REGISTERED.—An issue of \$4,500 5% 10-20-year (opt.) building bonds, dated Nov. 27 1911, was registered by the State Comptroller on Sept. 10.

BONDS AWARDED IN PART.—Of the above amount \$3,000 was purchased on the same day by the State Permanent School Fund at par and int.

HANFORD SCHOOL DISTRICT (P. O. Hanford), Kings County, Cal.—BONDS VOTED.—According to reports, a favorable vote was cast on Sept. 4 on the question of issuing \$36,000 site-purchase, building and impt. bonds.

HARLAN GRADED COMMON SCHOOL DISTRICT, Harlan County, Ky.—BONDS OFFERED BY BANKERS.—Ulen & Co. of Chicago are offering to investors \$8,000 6% 10-20-year (opt.) building bonds. Denom. \$500. Date Aug. 1 1912. Int. annually in August at the First Nat. Bank at Harlan or at the office of Ulen & Co.

HARRIS COUNTY COMMON SCHOOL DISTRICT NO. 27, Tex.—BONDS REGISTERED AND SOLD.—An issue of \$1,500 5% 10-20-year bonds, dated July 10 1912, were registered by the State Comp. on Sept. 10. These bonds were purchased on the same day by the State Permanent School fund at par and interest.

HARRIS COUNTY COMMON SCHOOL DISTRICT NO. 48, Tex.—BONDS REGISTERED.—On Sept. 10 the State Comptroller registered \$6,000 5% 10-20-year (opt.) building bonds dated July 10 1912.

BONDS AWARDED IN PART.—On the same day \$2,100 of the above amount was purchased by the State Permanent School Fund at par and int.

HARRISON, Hamilton County, Ohio.—BOND SALE.—On Sept. 16 the \$1,000 5% State Ave. Impt. bonds (V. 95, p. 498) were awarded to Well, Roth & Co. of Cin. at 104.50 and int. Other bids follow: M. S. Pond, Somerset, \$1,040; Stacy & Braun, Toledo, \$1,029 65.

HARRISON COUNTY (P. O. Gulfport), Miss.—BOND OFFERING.—Further details are at hand relative to the offering on Oct. 7 of the \$15,000 5% Supervisor's District No. 3 road bonds (V. 95, p. 702). Proposals for these bonds will be received until 12 m. on that day by F. S. Hewes, Clerk Board of Supervisors. Denom. \$100. Date Nov. 1 1912. Int. annual. Due \$1,000 yrlly. on Nov. 1 from 1923 to 1937 incl. Cert. check for \$200, payable to A. J. Bond, Prest. of Co. Supervisors, required. Purchaser to pay cost of preparing and lithographing bonds.

HARTWELL, Hamilton County, Ohio.—BOND SALE.—The \$4,000 5% 1-5-yr. (ser.) Burns Ave. impt. assess. bonds offered on Aug. 21 (V. 95, p. 250) were awarded to Mayer, Deppe & Walter of Cin. at 101.875.

HASBROUCK HEIGHTS, Bergen County, N. J.—BOND ELECTION.—An election will be held Oct. 8 to vote on the question of issuing \$125,000 sewerage and sewage-disposal-plant bonds.

HAZLETON, Luzerne County, Pa.—NO ACTION YET TAKEN.—No action has yet been taken looking towards the issuance of the \$250,000 sewer-construction and street-paving bonds (V. 95, p. 435).

HEMET, Riverside County, Cal.—BOND SALE.—Torrance, Marshall & Co. of Los Angeles have been awarded the \$44,000 6% 1-40-yr. sewerage bonds voted Aug. 3 (V. 95, p. 435) at 107.20 and int. Denom. \$1,000 and \$100. Date Sept. 1 1912.

HENDERSON COUNTY COMMON SCHOOL DISTRICTS, Tex.—BOND SALES.—On Sept. 10 the State Permanent School Fund purchased at par and interest the following 5% 5-20-year (opt.) bonds, dated April 10 1912, registered by the State Comptroller on Aug. 19 (V. 95, p. 637): \$400 bonds of District No. 14 and \$1,000 bonds of District No. 54.

HENRIETTA, Clay County, Texas.—BONDS OFFERED BY BANKERS.—Ulen & Co. of Chicago are offering to investors the \$18,000 5% 15-40-year (opt.) water-works-system bonds registered by the State Comptroller on Aug. 19. Denom. \$500. Date June 1 1912. Int. annually in Henrietta or at the office of Ulen & Co.

HIGHLAND PARK SCHOOL DISTRICT (P. O. Highland Park), Wayne County, Mich.—BOND SALE.—On Sept. 12 the \$16,000 bldg bonds (V. 95, p. 637) were awarded to the Union Trust Co. of Detroit for \$16,046 46 (100.293) for 4½s. The bids follow:

	For 4½s.	For 4½s.	For 4½s.	For 5s.
Union Trust Co., Detroit	\$16,046 46	\$16,160 00	\$16,275 00	\$16,388 80
Geo. D. Cooney, Detroit	16,003 00	16,066 00	16,185 00	16,281 00
Security Trust Co., Detroit	—	16,051 00	—	—

HONEY GROVE, Fannin County, Tex.—BONDS REGISTERED.—The State Comptroller registered \$14,000 5% 20-40-year (opt.) building bonds, dated Aug. 1 1912, on Sept. 10.

BONDS AWARDED IN PART.—Of the above amount \$3,000 was purchased by the State Permanent School Fund at par and int. on the same day.

HORSE CAVE SCHOOL DISTRICT (P. O. Horse Cave), Hart County, Ky.—BONDS VOTED.—An election held Sept. 16 resulted in favor of the proposition to issue 2-30-yr. school-bldg. bonds. The vote was 157 to 8.

HOWARD COUNTY (P. O. St. Paul), Neb.—BOND SALE.—On Sept. 2 the following bids were received for the \$75,000 4½% coup. court-house-bldg. and equip. bonds (V. 95, p. 562):

N. W. Halsey & Co., Chic.	\$77,895	Woodin, McNear & Moore, Chic.	\$76,490
A. J. Hood & Co., Detroit	77,769	Emery, Peck & Rockwood, Chic.	73,155

All bidders offered accrued interest in addition to their bids.

HUNTSVILLE, Madison County, Ala.—BOND SALE.—On Sept. 12 \$17,600 6% 10-year gold coupon public-impt. tax-free assessment bonds were disposed of at par, we are advised. Int. M. & S. at the Mechanics' & Metals' Bank in New York.

HUTCHINSON, Reno County, Kans.—BOND ELECTION PROPOSED.

—The question of issuing \$25,000 sewerage-system bonds may be submitted to the voters, it is reported, at the fall election.

IBERIA PARISH (P. O. New Iberia), La.—BOND ELECTION RESCINDED.—Reports state that the election which was to have been held Sept. 10 to vote on the question of issuing the \$180,000 20-year road bonds (V. 95, p. 498) had been called off by the Police Jury.

IRONWOOD TOWNSHIP (P. O. Ironwood), Gogebic County, Mich.—BONDS DEFEATED.—At an election held Sept. 12 the proposition to issue \$40,000 improvement bonds was defeated. The vote was 43 "for" to 79 "against."

JACK COUNTY COMMON SCHOOL DISTRICT NO. 55, Tex.—BOND SALE.—On Sept. 10 the remaining \$1,500 of the issue of \$2,500 5% 15-40 year (opt.) building bonds, \$1,000 of which was sold recently (V. 95, p. 499), was purchased by the State Permanent School Fund at par and interest.

JAMESTOWN, Chautauqua County, N. Y.—BONDS VOTED.—An election held Sept. 14 resulted in favor of the proposition to issue \$150,000 4½% water-works-extension bonds. The vote was 171 to 54. Due \$7,500 yearly.

JAMESTOWN SCHOOL DISTRICT (P. O. Jamestown), Chautauqua County, N. Y.—BOND ELECTION.—An election will be held Sept. 24 to vote on the question of issuing \$109,000 bonds, reports state.

JAMESTOWN SCHOOL DISTRICT, Tuolumne County, Cal.—DESCRIPTION OF BONDS.—The \$2,000 6% 4-year building bonds awarded on Aug. 17 to W. J. Lord at 102.50 (V. 95, p. 637) are in the denom. of \$500 each and dated Aug. 5 1912. Interest annual.

JERSEY CITY, N. J.—BONDS NOT SOLD.—No bids were received on Sept. 17 for the \$332,000 50-yr. school and \$150,000 30-yr. water 4½% gold coup. or reg. bonds (V. 95, p. 637), it is reported.

JEWELL, Iowa.—BOND ELECTION.—On Oct. 14 a vote will be taken on a proposition to issue \$5,000 water bonds.

JOURDANTON INDEPENDENT SCHOOL DISTRICT (P. O. Jourdan-ton), Atascosa County, Tex.—BONDS AWARDED IN PART.—The State Permanent School Fund purchased at par and int. on Sept. 10 \$3,000 of the \$18,500 5% 10-40-year building bonds dated June 1 1911, \$10,000 of which has already been sold (V. 95, p. 251).

KANE COUNTY (P. O. Geneva), Ill.—BOND ELECTION.—At the November election the voters will have submitted to them the question of issuing not exceeding \$25,000 soldiers' monument bonds, according to reports.

KIRKSVILLE, Adair County, Mo.—BOND ELECTION.—The voters of this place will have submitted to them on Oct. 8 the question of issuing \$99,000 water-works and light bonds, according to reports.

KISSIMMEE, Osceola County, Fla.—NOTE SALE.—This place has disposed of the \$60,000 8% general notes (V. 95, p. 436), we are advised.

LAKE COUNTY SCHOOL DISTRICT Ore.—BOND OFFERING.—Proposals will be received until 2 p. m. Oct. 2, it is stated, by F. A. Ahlstrom, County Treas. (P. O. Lakeview), for \$5,000 coupon building bonds.

LAVON INDEPENDENT SCHOOL DISTRICT (P. O. Lavon), Collin County, Tex.—BONDS AWARDED IN PART.—The State Permanent School Fund purchased at par and int. on Sept. 10 \$3,000 5% 20-40-year (opt.) building bonds dated June 10 1912. These bonds are part of an issue of \$9,000, \$3,000 of which has already been disposed of V. 95, p. 251).

LEAVENWORTH, Chelan County, Wash.—BONDS VOTED.—The election held Aug. 20 resulted, it is stated, in favor of the proposition to issue the \$44,000 water-system bonds (V. 95, p. 499).

LEWIS COUNTY (P. O. Hohenwald), Tenn.—BOND SALE.—On Sept. 10 the \$10,000 5% 10-year coupon school-impt. tax-free bonds (V. 95, p. 436) were awarded to John Nuveen & Co. of Chicago at 100.76, interest and blank bonds. Other bids follow:

C. H. Coffin, Chicago	\$10,076	Allerton, Greene & King, Chic.	\$10,000
C. F. Childs & Co., Chicago	10,075	Prov. S. B. & Tr. Co., Cin.	10,000
Cutter, May & Co., Chicago	10,050	New First Nat. Bank, Colum.	9,750
H. C. Speer & Sons Co., Chic.	10,025	Spitzer, Rorick & Co., Tol.	9,705
Chapman, Mills & Co., Chic.	10,022	—	—

LINDEN SCHOOL DISTRICT (P. O. Linden), Union County, N. J.—BONDS DEFEATED.—At an election held Sept. 6 the proposition to issue \$30,000 building bonds was defeated. The vote was 61 "for" to 113 against.

LITCHVILLE, Barnes County, No. Dak.—BOND OFFERING.—Proposals will be received until Oct. 11 for \$2,500 5% 20-yr. artesian-well bonds. Auth. vote of 21 to 1 at election held Sept. 10.

LITTLE FALLS SCHOOL DISTRICT (P. O. Little Falls), Morrison County, Minn.—BOND ELECTION PROPOSED.—An election will be held soon, reports state, to vote on a proposition to issue about \$100,000 building bonds.

LITTLE FALLS SCHOOL DISTRICT (P. O. Little Falls), Passaic County, N. J.—BOND SALE.—On Sept. 19 \$26,000 4½% coupon school bonds were awarded, \$20,000 to the Hamilton Trust Co. in Paterson and \$6,000 to the Little Falls Nat. Bank in Little Falls at 100.25. Date July 1 1912. Int. J. & J. Due \$2,000 in 1917 and \$3,000 yearly from 1918 to 1925, inclusive.

LITTLE ROCK SCHOOL DISTRICT NO. 4, Dillon County, So. Caro.—BONDS OFFERED BY BANKERS.—An issue of \$8,000 6% building bonds is being offered to investors by Ulen & Co. of Chicago. Denom. \$1,000. Date July 1 1912. Int. J. & J. at the Continental & Commercial National Bank, Chicago. Due July 1 1932.

LOCKLAND, Hamilton County, Ohio.—BOND SALE.—On Aug. 26 the \$1,050 4½% 10-year Wayne Ave. impt. bonds (V. 95, p. 251) were awarded to the First National Bank of Lockland for \$1,075 (102.38) and interest. No other bids were received.

LONGVIEW, Gregg County, Texas.—BONDS REGISTERED.—On Sept. 9 \$20,000 5% 20-40-year (opt.) water-works bonds were registered by the State Comptroller.

LORAIN, Lorain County, Ohio.—BONDS AUTHORIZED.—An ordinance was passed Sept. 4 providing for the issuance of \$1,437 23 6% coupon sewer-impt. assessment bonds. Denom. (1) \$427 23, (2) \$500. Date Sept. 15 1912. Interest M. & S. Due Sept. 15 1913.

An ordinance was also passed on the same day providing for the issuance of \$20,000 4 1/4% coupon park-impt. bonds. Auth. Sec. 3939 Gen. Code. Denom. \$500. Date Nov. 15 1912. Int. M. & S. at office of Sinking Fund Trustees. Due Sept. 15 1912.

BOND OFFERING.—Proposals will be received until 12 m. Oct. 11 by E. P. Keating, City Aud., for \$5,000 4 1/4% Black River water front impt. bonds. Auth. Sec. 3939 Gen. Code. Denom. \$1,000. Date Sept. 15 1912. Int. M. & S. at office of Sinking Fund Trustees. Due \$1,000 yrly. on Sept. 15 from 1920 to 1924 incl. Cert. check on a national bank or any Lorain bank for \$250, payable to the City Treas., required. Bonds to be delivered within 10 days from time of award.

LOS GATOS, Santa Clara County, Cal.—BONDS AUTHORIZED.—Reports state that a resolution was passed recently providing for the issuance of \$600 town-park; \$10,000 town-hall; \$30,000 sewer, and \$36,000 paving bonds.

LOWVILLE, Lewis County, N. Y.—BONDS DEFEATED.—The question of issuing the \$9,000 arch-constr. bonds (V. 95, p. 702) failed to carry, at the election held Sept. 17. The vote was 147 "for" and 196 against.

LUBBOCK COUNTY COMMON SCHOOL DISTRICT NO. 2, Tex.—BONDS REGISTERED.—On Sept. 10 an issue of \$1,000 5% 10-20-year (opt.) bonds was registered by the State Comptroller.

LUBBOCK COUNTY COMMON SCHOOL DISTRICT NO. 20, Tex.—BOND SALE.—On Sept. 10 \$1,000 5% 20-year building bonds, dated June 10 1912 were awarded to the State Permanent School Fund at par and interest.

MACEDONIA, Pottawattamie County, Iowa.—BOND OFFERING.—Proposals will be received until 1 p. m. Oct. 1 by W. C. Miller, Town Clerk, for \$8,000 water-works-system bonds. Auth. Sec. 1306, supp. to Code 1907. Denom. \$500. Date Nov. 1 1912. Interest annually in January at the Macedonia State Bank. Due \$500 yearly on Jan. 1 from 1917 to 1932, incl. Bonds are exempt from all taxes. Certified check (or cash) for \$150, payable to the Town Clerk, required. No other debt. Assessed value \$254,288.

MADISONVILLE, Madison County, Texas.—BONDS TO BE OFFERED SHORTLY.—We are advised that the \$16,000 water-works bonds voted July 16 (V. 95, p. 314) will soon be ready for sale.

MAMARONECK, Westchester County, N. Y.—BOND OFFERING.—Proposals will be received until 8.30 p. m. Sept. 26 by Chas. W. Buckter, VII. Clerk, for the following bonds at not exceeding 5% interest: \$35,000 street-impt. bonds. Denom. \$1,000 and \$333 34. Due \$2,333 34 yearly on Oct. 1 from 1917 to 1931 incl.

24,000 sewer bonds. Denom. \$1,000 and \$600. Due \$1,600 yrly. on Oct. 1 from 1917 to 1931 incl.

Date Oct. 1 1912. Int. A. & O. Cert. check payable in New York, on a duly incorporated bank for 5% of bonds, required. Similar issues of bonds were reported sold on Aug. 31 to Curtis & Sanger of N. Y. (V. 95, p. 436.)

MANATEE COUNTY (P. O. Bradentown), Fla.—BOND SALE.—We are advised that the \$50,000 5% refunding school bonds were purchased by Duke M. Farson of Chicago and re-sold by him to Farson, Son & Co. of Chicago, as reported in last week's "Chronicle."

MANHATTAN, Riley County, Kans.—BOND SALE.—Hoehler & Cummings of Toledo were awarded at par and int. \$70,274 5% 1-10-year (serial) street-impt. bonds. Denom. (130) \$500 and (10) \$527 40. Date Sept. 1 1912. Interest M. & S.

MARICOPA, Kern County, Cal.—BOND OFFERING.—Proposals will be received until Oct. 1 by E. E. Ballagh, City Clerk, for the \$16,000 6% 1-16-year (serial) gold coupon sewer-system bonds (V. 95, p. 375). Denom. \$500. Date Jan. 1 1913. Int. J. & J. at the City Treasurer's office. Certified check for 10% of bid, payable to the Clerk, is required.

MARION COUNTY (P. O. Marion), Ohio.—BOND OFFERING.—Proposals will be received until 12 m. Oct. 1 by Chas. L. Justice, Pros. Att'y of Turn. Commrs, for 7,500 5% coup. Firstenberg Free Turnpike bonds. Auth. Sec. 7263, Gen. Code. Denom. \$500. Date Oct. 1 1912. Int. A. & O. at office of County Treas. Due \$500 on Mch. 1 and Sept. 1 1913. \$500 on Mch. 1 and \$1,000 on Sept. 1 1914 and 1915; \$500 Mch. 1 and Sept. 1 1916; \$1,000 Mch. 1 and Sept. 1 1917 and \$500 Mch. 1 1918. Cert. check on a Marion bank for \$300, payable to the Road Commrs, required.

MASON CITY, Cerro Gordo County, Iowa.—BOND SALE.—We are advised that the \$50,000 4 1/4% water-works-impt. bonds offered without success on July 30 (V. 95, p. 375) have been disposed of at private sale.

MATTOON SCHOOL DISTRICT NO. 99 (P. O. Mattoon), Coles County, Ill.—BONDS VOTED.—An election held Sept. 7 resulted, it is stated, in favor of the question of issuing \$1,000 building bonds.

MECHANICVILLE, Saratoga County, N. Y.—BOND OFFERING.—Proposals will be received until 8 p. m. Sept. 25 by A. W. Smith, Village Clerk, for the \$22,241 5-27-year (serial) paving bonds at not exceeding 5% int., reports state. Auth. election June 19 (V. 94, p. 1780). Interest semi-annual. Certified check for \$1,000 required.

MEDFORD, Middlesex County, Mass.—TEMPORARY LOAN.—A loan of \$25,000 due May 5 1912 was negotiated with N. W. Harris & Co., Inc., of Boston at 4.48% discount, it is stated.

MERIDIAN INDEPENDENT SCHOOL DISTRICT (P. O. Meridian), Bosque County, Tex.—BONDS AWARDED IN PART.—Of an issue of \$21,000 5% 40-yr. bldg. bonds dated Apr. 6 1912, \$5,000 were awarded to the State Permanent School Fund on Sept. 10 at par and int.

MIDDLETOWN, Butler County, Ohio.—BOND OFFERING.—Proposals will be received until 12 m. Oct. 14 by W. Gibbins, City Aud., for \$1,500 4 1/4% fire dept. No. 2 impt. bonds. Auth. Sec. 3939, Gen. Code. Denom. \$500. Date Oct. 1 1912. Int. at the Nat. Park Bank in N. Y. Due \$500 Oct. 1 1915, 1916 and 1917. Bonds to be delivered and paid for within 10 days after date. Cert. check for \$100 required. Purch. to pay accrued interest.

MILWAUKEE, Milwaukee County, Wis.—BONDS AWARDED IN PART.—On Sept. 18 \$325,000 of the five issues of tax-free bonds, aggregating \$525,000 (V. 95, p. 703) were awarded jointly to N. W. Halsey & Co. of Chicago and the First Trust & Sav. Bank of Milwaukee, it is stated.

BONDS NOT YET SOLD.—No award has yet been made of the remaining \$15,000 of the \$40,000 4 1/4% fire-department bonds, \$25,000 of which were recently disposed of (V. 95, p. 375).

BOND ELECTION.—Local papers state that the question of issuing \$30,000 library bonds will be submitted to the people at the November election.

MILWAUKEE COUNTY (P. O. Milwaukee), Wis.—BOND OFFERING.—Proposals will be received until 3 p. m. Oct. 8 by Chas. V. Schmidt, Co. Treas., for \$220,000 4 1/4% county-home bonds. Denom. \$1,000. Date Oct. 15 1912. Int. A. & O. at office of Co. Treas. Due \$11,000 yrly. on Oct. 15 from 1913 to 1932 incl.

MINNEAPOLIS, Minn.—BOND OFFERING.—Proposals will be received until 2 p. m. Oct. 3 by Dan C. Brown, City Comptroller, for the following bonds:

\$50,000 4% Bassett's Creek Impt bonds. (V. 95, p. 703). Date Sept. 1 1912. Int. M. & S. Due Sept. 1 1942. Bids will not be entertained for less than 95% of par value of bonds. Denom. \$50, \$100, \$500 and \$1,000 as purchaser may desire.

15,775 special street acquisition and impt. bonds at not exceeding 5% int. Date Oct. 1 1912. Interest annually in October. Due one-fifteenth yearly Oct. 1 1913 to 1927, inclusive. Denom. (14) \$1,050 and (1) \$1,075.

Bonds are tax-exempt in Minnesota. Certified check for 2% of bonds bid for, payable to C. A. Bloomquist, City Treasurer, is required.

The official notice of this bond offering will be found among the advertisements elsewhere in this Department.

MINEOLA, Nassau County, N. Y.—BOND OFFERING.—Proposals will be received until 8 p. m. Oct. 4 by A. F. Buhler, Village Clerk, of \$

\$5,000 water-main-ext. bonds at not exceeding 5% interest. Denom. \$500. Due \$500 yearly from 1915 to 1924, incl. Cert. check for 5% of bid required.

MINSTER, Auglaize County, Ohio.—BOND SALE.—On Sept. 12 the \$20,000 4% 4-43-year (serial) coupon water-works-impt. bonds (V. 95, p. 499) were awarded to Davies-Bertram Co. of Cincinnati at 100.755 and interest. Other bids follow: Weil, Roth & Co., Cincinnati \$20,075; Stacy & Braun, Toledo \$19,710; Seasongood & Mayer, Cin. 20,055; New First Nat. Bank, Colum. 19,700; Spitzer, Rorick & Co., Toledo 19,808.

MOBILE, Ala.—BOND OFFERING.—Proposals will be received until 12 m. Sept. 23 by L. Schwarz, Mayor, for \$100,000 5% 30-year coupon tax-free sewerage-system-extension bonds. Auth. Act Special Session 1909, p. 188-93, also by a vote of 3,296 to 342 at the election held Sept. 2 (V. 95, p. 315). Denom. \$1,000. Date Nov. 1 1912. Int. M. & N. at the American Exchange National Bank, N. Y. Certified check for 1% of bid, payable to the Board of Commissioners, required.

MODESTO IRRIGATION DISTRICT, Stanislaus County, Cal.—BOND ELECTION.—A resolution has been passed, reports state, providing for an election to vote on the issuance of \$610,000 bonds.

MODOC COUNTY (P. O. Alturas), Cal.—BONDS DEFEATED.—According to early returns, the proposition to issue \$60,000 court-house bonds was defeated at the election held Sept. 3 (V. 95, p. 437).

MONROE COUNTY (P. O. Aberdeen), Miss.—BOND SALE.—On Sept. 2 the \$100,000 5% coupon road tax-free bonds, due May 1 1936 (V. 95, p. 499), were awarded to Wm. W. Flournoy of De Funak at 100.1345 and int. Bids at par and int. were received from the First Nat. Bank and the Monroe Banking & Trust Co., both of Aberdeen.

MONTEBELLA SCHOOL DISTRICT, Los Angeles County, Cal.—BOND SALE.—On Sept. 10 the \$16,000 5% building bonds (V. 95, p. 638) were awarded, it is stated, to Torrance, Marshall & Co. of Los Angeles for \$16,326, making the price 102.037.

MONTGOMERY COUNTY (P. O. Winona), Miss.—BONDS VOTED.—The question of issuing \$40,000 road-impt. bonds carried by a vote of 347 to 15, it is reported, at an election held Sept. 2.

MONTGOMERY COUNTY (P. O. Dayton), Ohio.—BOND OFFERING.—Proposals will be received until Oct. 26, it is stated, for \$15,000 bridge bonds. Denom. \$1,000.

MOORPARK SCHOOL DISTRICT, Ventura County, Cal.—BOND SALE.—An issue of \$2,500 bldg. bonds was awarded, it is stated, to the Bank of Ventura at par and int.

MOOSIC SCHOOL DISTRICT (P. O. Moosic), Lackawanna County, Pa.—BONDS NOT SOLD.—No award was made of \$34,000 5% bonds offered on Aug. 19, we are advised.

MT. CARY, Hancock County, Ohio.—BOND OFFERING.—Proposals will be received until 12 m. Oct. 15 by E. J. H. Renninger, Vil. Clerk, for \$1,500 5% electric light bonds. Auth. Sec. 3939, Gen. Code. Denom. \$100. Date Sept. 3 1912. Int. M. & S. Due \$100 Sept. 3 1913 and 1914; \$200 Sept. 3 1915; \$100 Sept. 3 1916 and 1917; \$200 Sept. 3 1918; \$100 Sept. 3 1919 and 1920; \$200 Sept. 3 1921; \$100 Sept. 1 1922 and \$200 Sept. 3 1923. Cert. check for 10% of bonds bid for, payable to the City Treas., required. Bonds to be delivered within 10 days from time of award. Purchaser to pay accrued interest.

MT. PULASKI SCHOOL DISTRICT, Logan County, Ill.—PRICE PAID FOR BONDS.—The price paid for the \$45,000 4 1/4% bldg. bonds awarded on Aug. 1 to Scroggin & Son of Mt. Pulaski (V. 95, p. 638) was 100.40 and not par as at first reported. Denom. \$500. Date Aug. 1 1912. Int. annual in April.

MULBERRY SPECIAL SCHOOL DISTRICT, Crawford County, Ark.—BONDS OFFERED BY BANKERS.—The H. C. Speer & Sons Co. of Chic. is offering to investors \$8,000 6% building bonds. Denom. \$500. Date July 1 1912. Int. J. & J. at the Arkansas Valley Trust Co. in Fort Smith. Due \$500 on July 1 in 1914, 1916, 1918, 1920, 1922 and 1924, and \$1,000 on July 1 in 1926, 1928, 1930, 1932 and 1934. No other debt. Assessed valuation, \$348,570.

MURRAY CITY, Salt Lake County, Utah.—BOND SALE.—On Sept. 3 the \$60,000 10-20-yr. (opt.) municipal-electric-light-plant bonds (V. 95, p. 500) were awarded to Woodin, McNear & Moore of Chicago for \$60,164 (100.273) and int. for 5s. Bids were also received from S. A. Kean & Co. at par, Farson, Son & Co., \$59,000, and the Harris Trust & Savings Bank of Chicago, \$59,705.

NACOGDOCHES COUNTY COMMON SCHOOL DISTRICT NO. 2, Tex.—BONDS AWARDED IN PART.—Of the \$3,000 5% 5-20-yr. (opt.) bonds, \$1,000 of which has been sold (V. 95, p. 500), \$1,050 was awarded on Sept. 10 to the State School Fund at par and int.

NAVARRO COUNTY COMMON SCHOOL DISTRICT NO. 73, Tex.—BONDS AWARDED IN PART.—Of the issue of \$6,000 5% 15-40-yr. (opt.) bldg. bonds, of which \$3,000 has already been sold (V. 95, p. 252), \$2,000 were sold on Sept. 10 to the State Permanent School Fund at par and int. Date May 13 1912.

NEWARK, Wayne County, N. Y.—BOND SALE.—We have just been advised by the Village Treasurer that the \$90,000 5% 12-year (average) sewer bonds offered on March 26 (V. 94, p. 781) were disposed of on that day.

NEWAYGO, Newaygo County, Mich.—BOND SALE.—On Aug. 30 the \$17,000 5% water-works-system bonds (V. 95, p. 437) were awarded to W. E. Moss & Co., of Detroit for \$17,418 making the price 102.45. Denom. \$1,000.

NEW BEDFORD, Bristol County, Mass.—BOND OFFERING.—Proposals will be received until 7:45 p. m. Sept. 25 by W. S. Cook, City Treas., for the following 4% reg. tax-free bonds:

\$175,000 school bonds. Auth. Chap. 123 Acts of 1911. Due \$9,000 yrly. on Sept. 1 from 1913 to 1927 incl. and \$8,000 yrly. on Sept. 1 from 1928 to 1932 incl.

100,000 sewer bonds. Auth. Chap. 474 Acts of 1910. Due \$4,000 yrly. on Sept. 1 from 1913 to 1922 incl. and \$3,000 yrly. on Sept. 1 from 1923 to 1942 incl.

50,000 municipal-loan No. 6 bonds. Auth. by order of City Council Sept. 13 1912. Due \$5,000 yrly. on Sept. 1 from 1913 to 1922 inclusive.

Denom. \$1,000 or any multiple thereof. Date Sept. 1 1912. Int. M. & S. by mailed check. Legal opinion by Storey, Thornkildke, Palmer & Dodge of Boston. Cert. check on a national bank or trust company for 2% of bonds bid for, payable to the City, required.

NEW HOPE IRRIGATION DISTRICT, Utah.—BONDS AWARDED IN PART.—On Sept. 10 \$20,000 of the \$40,000 6% coup. bonds (V. 95, p. 562) were awarded to the State Board of Land Commissioners at 95. Int. J. & D.

NEW LONDON, New London County, Conn.—NO ACTION YET TAKEN.—We are advised by the City Treasurer that no action has yet been taken looking toward the issuance of the \$50,000 park bonds (V. 95, p. 437).

NEWPORT, R. I.—NOTE OFFERING.—Proposals will be received until 5 p. m. Sept. 26 by the City Treas. for the \$20,000 4% 2 yr. beach-notes. A similar issue of notes was offered but not sold on May 16. See V. 94, p. 1400.

NEWPORT NEWS, Warwick County, Va.—NO ACTION YET TAKEN.—No action has yet been taken looking towards the issuance of the \$250,000 harbor and pier constr. bonds voted July 25 (V. 95, p. 315).

NORFOLK, Va.—BONDS AWARDED IN PART.—On Sept. 12 \$268,000 of the five issues of 4 1/4% 30-yr. coup. (with priv. of reg.) bonds, aggregating \$835,000 (V. 95, p. 252) were awarded as follows:

\$10,000 to the First Nat. Bank of Elizabeth City at 100.25.

8,000 to the Sinking Fund Commissioners at par.

260,000 to Harris, Forbes & Co. of N. Y. at 97.584.

Harris, Forbes & Co. of New York were given an option on the remaining \$557,000 at 97.584.

NORFOLK COUNTY, Mass.—LOAN OFFERING.—Dispatches state that the County Commissioners will receive bids at Dedham until 10 a. m. Sept. 24 for the discount of a loan of \$50,000 dated Sept. 26 1912 and due March 26 1913.

NORTH PLAINFIELD SCHOOL DISTRICT (P. O. Plainfield), Union County, N. J.—BOND SALE.—On Aug. 26 the \$18,000 4 1/4% 11 1/2-yr. (av.) school bonds (V. 95, p. 437) were awarded to the Plainfield Sav. Bank in Plainfield.

NORTH ST. PAUL, Ramsey County, Minn.—BONDS VOTED.—An election held Aug 30 resulted in favor of the proposition to issue \$8,000 4% electric-light-plant-impt. bonds. The vote was 114 to 60. Due in 1919.

NORWICH, New London County, Conn.—BONDS PROPOSED.—Local papers state that this city is contemplating the issuance of \$325,000 25-yr. water bonds.

NUECES COUNTY COMMON SCHOOL DISTRICT NO. 7, Tex.—BONDS AWARDED IN PART.—The State School Fund was awarded at par and int. on Sept. 10 \$2,500 of an issue of \$10,000 5% 10-40-yr. (opt.) bonds, \$2,500 of which has already been sold (V. 95, p. 500).

NUTLEY, Essex County, N. J.—BOND OFFERING.—Proposals will be received until 8 p. m. Sept. 23 by A. S. Kirkeby, Town Clerk, for \$30,000 20-year and \$12,000 10-yr. 4½% coup. or reg. general funding bonds. Denom. \$1,000. Date Oct. 1 1912. Int. semi ann. Cert. check for 5% required.

OAKLAND, Alameda County, Cal.—BOND OFFERING.—Proposals will be received until Oct. 1, it is stated, for \$771,350 city-hall bonds.

ODESSA SCHOOL DISTRICT (P. O. Odessa), Lafayette County, Mo.—BONDS OFFERED BY BANKERS.—The Wm. R. Compton Co. of St. Louis is offering to investors \$25,000 5% school bonds. Denom. \$500. Date July 1 1912. Int. J. & J. Due \$10,000 July 1 1922 and \$1,500 yearly on July 1 1923 to 1932, inclusive.

ONEIDA, N. Y.—BOND SALE.—It is reported that \$7,000 water bonds have been sold at par.

OTTAWA COUNTY (P. O. Miami), Okla.—BOND ELECTION.—An election will be held Sept. 28 to submit to the voters the proposition to issue \$100,000 5% 25-yr. bridge repair and purchasing bonds.

OZARK, Dale County, Ala.—BOND SALE.—This city recently sold an issue of \$15,000 sewerage-system-constr. bonds, it is stated, to the J. B. McCarey Co. of Atlanta.

PALM BEACH COUNTY (P. O. West Palm Beach), Fla.—BOND SALE.—On Sept. 10 the two issues of 5% road bonds aggregating \$145,000 (V. 95, p. 563) were awarded to the Bankers Trust Co. of Jacksonville at 102.50 and int. Bids were also received from Well, Roth & Co. of Cinc. and the First Nat. Bank of Columbus.

PARIS, Lamar County, Texas.—BOND SALE.—The Commerce Trust Co. of Kansas City and Mayer, Deppe & Walter of Cin. have purchased jointly \$15,000 sewer, \$25,000 public-bldg. and \$50,000 street-lmpt. 5% 10-50-year (opt.) bonds. Denom. \$1,000. Date Aug. 10 1912. Int. F. & A. in N. Y.

PASADENA, Cal.—BONDS RE-OFFERED.—Proposals will be received it is stated, until 10 a. m. Oct. 1 for the \$1,250,000 4½% water-plant purchase bonds. A similar issue of bonds was offered but not sold on Aug. 27. See V. 95, p. 638.

PELHAM, Westchester County, N. Y.—BOND OFFERING.—Proposals will be received until 8 p. m. Sept. 25 by L. M. Simonson, Village Clerk, for \$6,000 reg. Third St. pav. bonds at not exceeding 5% int. Denom. \$500. Date Oct. 1 1912. Int. A. & O. Due \$500 yearly on Oct. 1 from 1917 to 1928, incl. Bonds will be certified as to genuineness by the Columbia-Knickerbocker Trust Co., N. Y. City. Certified check on an incorporated State or national bank of this State for \$500, payable unconditionally to the "Village of Pelham," required. Bonds to be delivered Oct. 10.

PHELPS, Ontario County, N. Y.—BOND ELECTION PROPOSED.—The proposition to issue \$12,000 town hall bonds will be submitted to the voters, according to reports. Denom. \$1,000. Int. annual.

PHILMONT, Columbia County, N. Y.—BONDS VOTED.—An election held Aug. 20 resulted in favor of the proposition to issue \$5,000 electric-light bonds. The vote was 63 to 1.

PIPER CITY, Ford County, Ill.—BOND OFFERING.—Proposals will be received until 7:30 p. m. Sept. 27 by N. G. Plank, Village Clerk, for \$10,000 5% coupon water bonds. Denom. \$1,000. Date Sept. 1 1912. Interest annually in July at Treasurer's Office or at any bank in Illinois, as purchaser may desire. Due \$1,000 yearly on July 1 from 1914 to 1923, incl. Legality of bonds has been approved by Wood & Oakley of Chicago. An unconditional certified check on an incorporated bank or trust company for \$200, payable to the City Treasurer, required.

PITTSBURGH, Pa.—BOND OFFERING.—Proposals will be received until 3 p. m. Sept. 24 by E. S. Morrow, City Com., for \$87,000 4½% coupon or registered park tax-free bonds. Denom. \$1,000 and \$100. Int. J. & D. at Pittsburgh Trust Co., Pittsburgh. Due \$3,000 yearly on Dec. 1 from 1912 to 1940, incl. Legality of the bonds has been approved by Hawkins, Delafeld & Longfellow of N. Y. City. Cert. check on a national bank for 2% of bonds bid for, payable to the City Treasurer, required. Special blanks for bids will be furnished by the City Comptroller.

PORTAGE COUNTY (P. O. Ravenna), Ohio.—BOND SALE.—On Sept. 16 the \$15,000 4% road-lmpt. bonds (V. 95, p. 500) were awarded to the Second Nat. Bank of Ravenna for \$15,075 05 (100.5003) and int. Other bids follow:
Ravenna Nat. Bk. Rav. \$15,048 80 | Otis & Co., Cleveland..... \$15,005
New First Nat. Bk., Col. 15,019 00 | Stacy & Braun, Toledo..... 15,005
Well, Roth & Co., Cincin. 15,011 00

PORT ARTHUR, Jefferson County, Tex.—BOND SALE.—On Aug. 19 the \$490,000 5% bonds, bids for which were received recently but rejected (V. 95, p. 500), were awarded to Chas. G. Gates at par and int. Denom. \$1,000. Date July 20 1912. Int. J. & J.

PORT CHESTER, Westchester County, N. Y.—BOND SALE.—On Sept. 19 the \$16,000 4½% 2-17-year (ser.) No. Regent St. lmpt. bonds (V. 95, p. 704) were awarded to R. M. Grant & Co. of N. Y. at 102.086 and interest. Other bids follow:
Port Chester Savings Bank..... \$101.91 | Douglas Fenwick & Co., New York..... \$101.43
Watson & Pressprich, N. Y. 101.58 | Harris, Forbes & Co., N. Y. 100.682
Adams & Co., New York 101.45
We are not advised as to the result of the offering at the same time of the \$8,771 83 certificates (V. 95, p. 704).

PORTLAND, Ore.—BIDS.—The following bids were received for the \$323,680 16 6% 10-yr. lmpt. bonds disposed of on Aug. 26 (V. 95, p. 638):

Bidder	Amount	Price	Bidder	Amount	Price
Secur. Sav. & Tr. Co.	\$100,000	102.75	Henry Teal	50,000	102.25
John Murphy	1,500	102.75		50,000	102
W. F. White	15,000	102.60	Leo Peterson	1,500	102
Dexter Horton Nat. Bank, Seattle	323,680	102.52			

PULASKI, Pulaski County, Va.—BONDS VOTED.—At the election held Sept. 11 the proposition to issue \$50,000 sewerage-system bonds (V. 95, p. 375) carried. The vote, it is stated, was 219 to 71.

PUTNAM COUNTY (P. O. Ottawa), Ohio.—BOND SALE.—On Sept. 12 the four issues of 5% bonds, aggregating \$35,000 (V. 95, p. 500), were awarded to Hayden, Miller & Co. of Cleveland for \$37,130, making the price 106.085. Other bids follow:
Seasongood & Mayer, Cin. \$37,005 50 | Provident Sav. Bank & Stacy & Braun, Toledo..... 36,981 68 | Trust Co., Cincinnati..... 36,825 40
New First Nat. Bk., Col. 36,978 00 | Well, Roth & Co., Cincin. 36,805 25
Otis & Co., Cleveland..... 36,925 00 | First Nat. Bank, Cleveland 36,790 30

RAPID CITY SCHOOL DISTRICT (P. O. Rapid City), Pennington County, So. Dak.—BOND OFFERING.—Proposals will be received at once for the \$60,000 5% floating-debt refund. bonds voted Sept. 10 (V. 95, p. 639). Auth. vote of 108 to 53. Due Oct. 1 1932, opt. 5 yrs. from date.

RAWLINS, Carbon County, Wyo.—BOND SALE.—On Sept. 10 the \$30,000 5% 5-30-year (opt.) coup. water-works-constr. bonds (V. 95, p. 563) were awarded, it is stated, to W. E. Sweet & Co. of Denver for \$30,326 (101.0866) and blank bonds.

REDFIELD, Spink County, So. Dak.—BOND OFFERING.—Proposals will be received until 8 p. m. Oct. 7 for \$9,000 5% sewer bonds. Authority vote of 218 to 19 at an election held Aug. 12. Due Oct. 1 1932.

RICHLAND CENTER, Richland County, Wis.—BONDS OFFERED BY BANKERS.—The H. C. Speer & Sons Co. of Chicago is offering to investors \$15,000 4½% city-hall tax-free bonds. Denom. \$1,000 and \$500. Date Feb. 1 1912. Int. F. & A. at the First Nat. Bank of Chicago. Due \$1,500 yearly Feb. 1 1921 to 1930, inclusive.

RICHMOND, Fort Bend County, Tex.—BONDS VOTED.—The proposition to issue the \$8,000 street and bridge lmpt. bonds carried, it is stated at the election held Sept. 11 (V. 95, p. 639).

RIDGEFIELD TOWNSHIP, Huron County, Ohio.—BOND SALE.—On Sept. 16 the \$10,000 5% coup. Ridgefield Road Dist. lmpt. bonds (V. 95, p. 704) were awarded to the New First Nat. Bank of Columbus at 107.09 and interest. Other bids follow:
Stacy & Braun, Toledo..... \$10,688 50 | Hayden, Miller & Co., Clev. \$10,410 00
Otis & Co., Cleveland..... 10,655 00 | Well, Roth & Co., Cincin. 10,012 50
Spitzer, Rorick & Co., Tol. 10,503 15

ROCHESTER, N. Y.—NOTE SALE.—On Sept. 17 the 4 issues of notes, aggregating \$464,000 (V. 95, p. 704), were awarded as follows:
\$100,000 water-works-lmpt. notes to Chisholm & Chapman of N. Y. at 100.005 for 5.25s.
200,000 local-lmpt. notes to Daniel A. Moran & Co. of N. Y. as 5s.
150,000 local lmpt. notes }
10,000 local-lmpt. notes } To H. Lee Anstey of N. Y. for \$164,006 for
4,000 voting-mach. notes } 5.70s.
A bid for all issues of \$464,008 for 5.70s was also received from Bond & Goodwin of New York.

ROWLESBURG, Preston County, W. Va.—BONDS TO BE OFFERED SHORTLY.—We are advised that the \$9,000 water and \$2,000 sewerage 5% bonds voted July 6 (V. 95, p. 253) will soon be offered for sale.

RUSK COUNTY COMMON SCHOOL DISTRICTS, Tex.—BONDS REGISTERED AND SOLD.—The State Comptroller registered the following 5% 10-20-yr. (opt.) bldg. bonds on Sept. 10: \$5,000 bonds of Dist. No. 16, \$1,000 bonds of Dist. No. 17, \$800 bonds of Dist. No. 34 and \$500 bonds of Dist. No. 60.
The State Permanent School Fund purchased the last three issues mentioned above, and an issue of \$500 of Dist. No. 15, at par and int. on the same day (Sept. 10). The bonds are dated Sept. 6 1912.

ST. GEORGE, Dorchester County, So. Car.—BOND SALE.—On Aug. 22 the \$18,000 5% 20-40-yr. (opt.) water-works-system bonds (V. 95, p. 253) were awarded to Spitzer, Rorick & Co. of Toledo at par, less \$900 for exp.

SANDUSKY, Erie County, Ohio.—BOND ELECTION.—According to reports the voters will vote on the proposition to issue \$175,000 lighting-plant bonds at the November election.

SAN PATRICIO COUNTY COMMON SCHOOL DISTRICT NO. 6, Tex.—BONDS AWARDED IN PART.—Of the \$10,000 5% 10-40-yr. (opt.) bldg. bonds registered by the State Comptroller on Aug. 27 (V. 95, p. 639), \$2,500 were awarded on Sept. 10 to the State Permanent School Fund at par and int. The bonds are dated June 15 1912.

SAN SABA COUNTY (P. O. San Saba), Tex.—BONDS DEFEATED.—An election held Sept. 14 resulted in the defeat of the proposition to issue \$448,967 irrigation bonds.

SCOTT COUNTY DRAINAGE DISTRICT NO. 10, Mo.—BOND OFFERING.—A. L. Drury, County Treas. (P. O. Benton), will offer at public auction on Oct. 9 \$76,000 6% bonds. Denom. \$500. Date Sept. 4 1912. Int. M. & S. Due on Sept. 4 as follows: \$7,500 in 1914, \$3,500 in 1915, \$4,000 in 1916 and 1917, \$3,500 in 1918, \$4,000 in 1919, \$3,500 in 1920, \$4,000 in 1921 and 1922, \$3,500 in 1923, \$4,000 in 1924, \$3,500 in 1925, \$4,000 in 1926 and 1927, \$3,500 in 1928, \$4,000 in 1929, \$3,500 in 1930 and \$4,000 in 1931 and 1932.

SCOTTS BLUFFS COUNTY SCHOOL DISTRICT NO. 2 (P. O. Minatare), Neb.—BOND OFFERING.—Proposals will be received until Oct. 1 by the Secretary of the School Board for \$8,000 5½% coupon building bonds. Denom. \$2,000. Date Sept. 7 1912. Int. in Jan. at the Nebraska fiscal agency in New York City. Due \$2,000 yearly on Jan. 1 from 1924 to 1927, incl. Cert. check for \$100, payable to the Sec. of School Board, required. Bonded debt, including this issue, \$9,000. No floating debt. Assessed valuation, \$104,975.

SEVILLE, Medina County, Ohio.—BOND SALE.—On Sept. 17 the \$1,180 74 5% 6-yr. (aver.) Center St.-lmpt. assess. bonds (V. 95, p. 639) were awarded to the Bank of Seville at par and int. No other bids were received.

SHELBYNA SCHOOL DISTRICT (P. O. Shelbyna), Shelby County, Mo.—BONDS OFFERED BY BANKERS.—The Wm. R. Compton Co. of St. Louis is offering to investors \$22,000 building and \$3,000 refunding 5% bonds. Denom. \$500. Date July 1 1912. Int. J. & J. Due \$3,000 refunding bonds July 1 1917, opt. \$1,000 ann. July 1 1914 to 1916, incl.; \$22,000 building bonds on July 1 as follows: \$1,000 yearly 1917 to 1923, incl., \$2,000 in 1924, \$1,000 in 1925 and 1926, \$2,000 in 1927, \$1,000 in 1928, \$2,000 in 1929 and 1930, \$1,000 in 1931 and \$3,000 in 1932.

SHERMAN, Grayson County, Texas.—BOND SALE.—On Sept. 16 the four issues of 5% bonds, aggregating \$198,000 (V. 95, p. 639), were awarded to the Harris Trust & Savings Bank of Chicago for \$199,319 (100.666) and interest. Other bids follow:
Commerce Trust Co. \$200,300 | A. B. Leach & Co., Chic. \$198,278
Well, Roth & Co., Chic. \$199,475 | Cook, Holtz & Co., Chic. 198,221

* Bids not in conformity with proposals.

SILVERTON, Marion County, Ore.—BOND SALE.—On Aug. 14 the \$4,000 6% 1-4-yr. (ser.) rock crusher-lmpt. bonds (V. 95, p. 376) were awarded to local investors at par.

SMOKY HOLLOW (P. O. Shovel Lake), Cass County, Minn.—BOND OFFERING.—Proposals will be received until 2 p. m. Oct. 5 by F. Longhead, Town Clerk, for \$8,000 6% 15-yr. road and bridge-bldg. bonds. Denom. \$1,000. Int. semi-ann. Cert. check for \$100, payable to the Board of Supervisors, required. Purchaser is to furnish his own form of bonds. These bonds were previously offered as 5s without success. See V. 95, p. 501.

SOUTH HAVEN TOWNSHIP (P. O. South Haven), Van Buren County, Mich.—BONDS VOTED.—At an election held Sept. 14 the issuance of \$2,500 5% 1-25-year stone-road bonds was authorized by a vote of 77 to 58.

SPOKANE, Wash.—BOND SALES.—The following 6% special lmpt. assess. bonds due in 10 yrs., opt. at any interest-paying period, have been disposed of by this city.

Ten issues, aggregating \$103,084, disposed of in July:

Ant.	Purpose	Date	Ant.	Purpose	Date
\$10,680	Astor St. grade	July 15 '12	\$6,800	Howard St. paving	July 1 '12
3,070	Conklin St. grade	July 15 '12	1,418	Normandie St.	July 1 '12
15,140	First Ward sewer	July 1 '12	7,180	Olympic Av. grade	July 15 '12
15,271	Glass Ave. grade	July 15 '12	11,975	Stevens St. grade	July 15 '12
30,000	Hatch St. grade	July 1 '12	1,550	Thirtieth Av. grade	July 15 '12

Ten issues, aggregating \$70,482, disposed of in August:

Ant.	Purpose	Date	Ant.	Purpose	Date
\$1,679	Alley sewer	Aug. 15 '12	\$7,750	La Crosse Av. grade	Aug. 15 '12
10,779	Altamont St. grade	Aug. 15 '12	10,088	Post St. grade	Aug. 15 '12
3,000	Elghth Ave. pav.	Aug. 15 '12	6,600	17th Ave. sewer	Aug. 15 '12
9,445	First Ward sewer	Aug. 15 '12	7,874	7th Ave. paving	Aug. 15 '12
5,177	Greene St. grade	Aug. 15 '12	8,090	38th Ave. grade	Aug. 1 '12

STERLING, Whiteside County, Ill.—BONDS TO BE OFFERED SHORTLY.—We are advised that the \$25,000 hospital bonds voted Aug. 6 (V. 95, p. 376) may possibly be offered for sale about Oct. 7.

SULPHUR BLUFF INDEPENDENT SCHOOL DISTRICT (P. O. Sulphur Bluff), Hopkins County, Tex.—BOND SALE.—On Sept. 10 the remaining \$1,540 of an issue of \$3,850 5% 10-20-year (opt.) building bonds (V. 95, p. 501) were purchased by the State Permanent School Fund at par and int.

SUNNYBROOK SCHOOL DISTRICT, Santa Clara County, Cal.—BOND OFFERING.—Proposals will be received until 11 a. m. Oct. 7 for \$2,500 bonds, according to reports.

SUNBURY VILLAGE SCHOOL DISTRICT (P. O. Sunbury), Delaware County, Ohio.—BOND OFFERING.—Proposals will be received until 1 p. m. Oct. 5 by N. Patrick, Pres. Bd. of Ed., for \$1,150 4½% lmpt. bonds. Auth. Sec. 7629, New School Code. Denom. \$230. Date Oct. 1 1912. Int. J. & D. at office of District Treas. Due \$230 yrly. on Oct. 1 from 1914 to 1918, incl. Cert. check on a Delaware County bank (or cash) for \$100, payable to the Clerk of the Bd. of Ed., required. Bonds to be delivered within 5 days from time of award.

SUTHERLIN, Douglas County, Ore.—BONDS VOTED AND SOLD.—An election held Aug. 26 resulted in favor of the proposition to issue the \$30,000 6% 10-20-year (opt.) water-works-system construction bonds (V. 95, p. 639). There were 50 votes cast, all in favor of the issue. We are advised that these securities have already been disposed of.

SWEET GRASS COUNTY SCHOOL DISTRICT NO. 45 (P. O. Ryegate), Mont.—BOND OFFERING.—Proposals will be received until Sept. 28 by J. O'Toole, Clerk for \$1,000 6% coup. school-bldg. bonds. Denom. \$1,000. Due in 10 yrs. opt. in 5 yrs. Cert. check for \$50, payable to the Clerk, required. No other debt. Assess. val. 1912, \$38,210.

SWEETWATER, Nolan County, Tex.—BONDS REGISTERED.—The State Comptroller registered on Sept. 9 the \$25,000 5% 20-40-year sewer bonds.

TETON COUNTY (P. O. Choteau), Mont.—BOND ELECTION.—At the November election the voters will decide on the issuance of \$100,000 highway and bridge bonds, according to reports.

TETON COUNTY SCHOOL DISTRICT NO. 30, Mont.—BOND OFFERING.—Proposals will be received until 2 p. m. Oct. 5 by C. E. Hinman (P. O. Power), Dist. Clerk, for \$3,000 6% coup. school-bldg. bonds. Auth. election held Aug. 5. Denom. \$1,000. Date Oct. 5 1912. Int. annual. Due Oct. 5 1927, optional Oct. 5 1922. Cert. check for \$100 required.

TOLEDO, Ohio.—BOND OFFERING.—Further details are at hand relative to the offering on Oct. 16 of the \$165,000 4% coupon street-impt. bonds (V. 95, p. 704). Proposals will be received until 7:30 p. m. on that day by J. J. Lynch, City Auditor. Denom. \$1,000. Date Sept. 1 1912. Int. M. & S. at the U. S. Mtge. & Trust Co. in N. Y. Due \$65,000 Sept. 1 1925 and \$100,000 Sept. 1 1926. Cert. check on a national bank for 5% of bonds bid for, payable to the City Auditor, required. Purchaser to pay accrued interest.

BOND ELECTION.—The question of issuing \$750,000 park and boulevard-impt. bonds will be submitted to a vote, it is stated, at the November election.

TOLEDO SCHOOL DISTRICT (P. O. Toledo), Lucas County, Ohio.—BOND OFFERING.—Proposals will be received until 1:30 p. m., Oct. 9 by Lillie I. Donat, Clerk Bd. of Ed., for \$400,000 4% bldg. bonds. Auth. Secs. 7629, 7630, 7626 and 7627, Gen. Code. Denom. \$1,000. Int. semi-annual. Due \$40,000 yrly. from 27 to 36 yrs., incl. Cert. check for \$1,000 required.

TOM GREEN COUNTY (P. O. San Angelo), Tex.—BOND SALE.—On Sept. 10 the \$70,000 5% 10-40-yr. (opt.) bridge constr. bonds (V. 95, p. 639) were awarded to Terry, Briggs & Slayton of Toledo at 101.18, int. and blank bonds. Other bids follow:
A. J. Hood & Co., Detroit \$70,707 50 Cutter, May & Co., Chic. \$70,350
Chapman, Mills & Co., Ch. \$70,575 00 Com'ce Tr. Co., Kan. City 70,000
John Nuveen & Co., Chic. \$70,357 50 R. J. Edwards, Okla. City 70,000
* And blank bonds.

Bids from the following were received too late for consideration:
Allerton, Green & King, Chicago. N. W. Halsey & Co., Chicago.
City Loan & Trust Co., Galvestone. Seasingood & Mayer, Cincinnati.
H. C. Speer & Sons Co., Chicago. Well, Roth & Co., Cincinnati.
Hoehler & Cummings, Toledo. Woodin, McNear & Moore, Chicago.

TROY, N. Y.—CERTIFICATE SALE.—On Sept. 13 the \$100,000 5% tax-exempt certificates of indebtedness due Nov. 13 1912 (V. 95, p. 639) were awarded to Kountze Bros. of N. Y. at 100.02 and int. Other bids:
Troy Sav. Bank, Troy \$100,017 Manufacturers' National
Albany Sav. Bank, Albany 100,016 Bank, Troy \$100,000

UPSHUR COUNTY (P. O. Gilmer), Texas.—BOND SALE.—We are advised that the \$49,000 6% road bonds were purchased by Duke M. Farson of Chicago and re-sold by him to Farson, Son & Co. of Chicago, as reported in last week's "Chronicle."

UPSHUR COUNTY COMMON SCHOOL DISTRICT NO. 2, Texas.—BONDS REGISTERED AND SOLD.—On Sept. 10 an issue of \$2,000 5% 5-20-year (opt.) building bonds dated July 10 1912 was registered by the State Comptroller. These bonds were purchased at par and int. on the same day by the State Permanent School Fund.

UTICA, N. Y.—BOND OFFERING.—Proposals will be received until 11 a. m. Sept. 28 by Fred G. Reusswig, City Comptroller, for the following 4 1/4% reg. public impt. bonds (V. 95, p. 705):

\$12,000 automobile fire apparatus bonds. Date Aug. 1 1912. Due \$600 yrly. from 1913 to 1932, incl.
20,000 sewer bonds. Date Sept. 1 1912. Due \$1,000 yrly. from 1913 to 1932, incl.
10,000 playground bonds. Date Sept. 1 1912. Due \$500 yrly. from 1913 to 1932, incl.
10,000 bath-house bonds. Date Sept. 1 1912. Due \$500 yrly. from 1913 to 1932, incl.
7,200 Ballow Creek culvert ext. bonds. Date Sept. 1, 1912. Due \$600 yrly. from 1913 to 1924, incl.
Each issue will be sold separately. Int. semi-ann. Cert. check for 2% of bonds bid for, payable to the "City of Utica," required.

VENICE, Los Angeles County, Cal.—BOND ELECTION.—This city is considering holding an election to vote on the issuance of \$75,000 fire-impt. bonds, reports state.

VENTNOR CITY (P. O. Atlantic City), Atlantic County, N. J.—BOND SALE.—On Sept. 18 the \$10,000 5% 30-year sewer and water-extension bonds (V. 95, p. 705) were awarded to Douglas Fenwick & Co. of N. Y. at 101.99—a basis of about 4 1/4%. Other bids follow:
Guarantee Trust Co., Atlantic City \$10,068 00
Ventnor City National Bank, Ventnor City 10,062 50
Geo. A. Bourgeois, Ventnor City 10,056 25
Wm. C. Carman, Ventnor City 10,050 00

VERNON, Wilbarger County, Tex.—BONDS REGISTERED AND SOLD.—The State Comptroller registered on Sept. 10 \$1,960 5% 10-40-year (opt.) school-building improvement bonds, dated Aug. 1 1912. These bonds were purchased by the State Permanent School Fund at par and interest on the same day.

WARREN COUNTY (P. O. Vicksburg), Miss.—BOND OFFERING.—Proposals will be received until 12 m. Oct. 7 by J. D. Laughlin, County Clerk, for \$50,000 5% bridge and road bonds. Auth. Sec. 331, Code of 1906. Date Oct. 7 1912. Cert. check on a local bank or any national bank for \$500, payable to the County Clerk, required.

WATERVILLE, Kennebec County, Me.—BOND SALE.—On Sept. 16 the \$20,000 4% 20-yr. coup. funding bonds (V. 95, p. 705) were awarded to Adams & Co. of Boston at 102.51—a basis of about 3.82%, it is stated.

WATERVILLE, Lucas County, Ohio.—BOND SALE.—On Sept. 16 the \$9,327 80 5% coupon street-impt. bonds (V. 95, p. 501) were awarded to Spitzer, Rorick & Co. of Toledo for \$9,597 37 (102.88) and int. Other bids follow:

	Premium.		Premium.
Otis & Co., Cleveland	\$310 00	Waterville State Sav. Bank,	
Hayden, Miller & Co., Cleve.	\$290 00	Co	\$275 00
New First Nat. Bank, Colum.	\$282 00	Well, Roth & Co., Cincinnati	46 75

*These bids appear to be higher than the purchasers', but are so reported by the Clerk.

WAUSAU, Marathon County, Wis.—BOND SALE.—On Sept. 10 the following 4 1/4% bonds were awarded to the Harris Trust & Savings Bank of Chicago for \$95,775 (100.816) and int.:

\$40,000 water works plant impt. bonds (V. 95, p. 563). Date Oct. 1 1912. Due \$8,000 Apr. 1 1926, \$12,000 Apr. 1 1927 and 1928 and \$8,000 April 1 1929.
35,000 school refunding bonds (V. 95, p. 563). Date Oct. 1 1912. Due \$15,000 Apr. 1 1929 and \$20,000 Apr. 1 1930.
20,000 bridge construction bonds. Auth. vote of 1256 to 397 at the election Sept. 3 (V. 95, p. 563). Date Oct. 1 1912. Due \$2,000 Apr. 1 1914 and \$6,000 Apr. 1 1915, 1916 and 1917.

Interest A. & O. Other bids follow:
First Sav. & Trust Co., Milw. Par and \$715 premium.
F. Childs & Co., Chicago \$135,577 for (5 issues) \$135,000.

BOND SALE DEFERRED.—The sale of the following 4 1/4% bonds, also offered on Sept. 10, was deferred:
\$25,000 public building bonds. Auth. vote of 1,256 to 397 at election Sept. 3 (V. 95, p. 563). Date Apr. 1 1913. Due \$10,000 Apr. 1 1931 and 1932 and \$5,000 Apr. 1 1933.
15,000 sewer construction bonds. (V. 95, p. 563.) Date Apr. 1 1913. Due \$6,000 Apr. 1 1918 and 1919 and \$3,000 Apr. 1 1920.

WAUSEON, Fulton County, Ohio.—BOND OFFERING.—Proposals will be received until 12 m. Oct. 7 by L. H. Deyo, Village Clerk, for \$7,602 52 4 1/4% Shoop Ave. paving assessment bonds. Auth. Sec. 3914, Gen. Code. Denom. (1) \$762 52, (9) \$760. Date Sept. 1 1912. Int. M. & S. at office of Village Treasurer. Due \$762 52 March 1 1913 and \$760 each six months from Sept. 1 1913 to Sept. 1 1917, incl. Cert. check for \$200, payable to the Village Treasurer, required. Bonds to be delivered within 10 days from time of award.

WAYNESBORO SCHOOL DISTRICT (P. O. Waynesboro), Franklin county, Pa.—BOND SALE.—On Sept. 16 the \$10,000 4 1/4% 15-30-year (opt.) coupon tax-free school bonds (V. 95, p. 639) were awarded to the

Bank of Waynesboro in Waynesboro at 104.0125 and int. Bids were also received from E. V. Kane & Co., J. S. & W. S. Kuhn, Inc., N. W. Halsey & Co. of Philadelphia, Otis & Co. of Cleveland, the People's National Bank and the Citizens' National Bank of Waynesboro.

WEBB COUNTY (P. O. Laredo), Texas.—BOND ELECTION PROPOSED.—Petitions are being circulated asking for an election to vote on the issuance of \$150,000 road bonds, it is stated.

WEBSTER, Monroe County, N. Y.—BOND SALE.—The Village Treas. advises us that the \$6,500 bonds offered on April 4 (V. 94, p. 723) have been sold.

WELLINGTON, Lorain County, Ohio.—BOND SALE.—On Sept. 17 the three issues of 5% assessment bonds, aggregating \$19,640 (V. 95, p. 501), were awarded to Otis & Co. of Cleveland for \$20,530, making the price 104.53, according to reports.

WEST CHESTER SCHOOL DISTRICT (P. O. West Chester), Washington County, Iowa.—BONDS VOTED.—An election held recently resulted in favor of the proposition to issue the \$12,000 bldg. bonds (V. 95, p. 376). We are advised, however, that no further action will be taken until next yr.

WEST SPRINGFIELD, Hampden County, Mass.—BOND SALE.—On Sept. 18 \$40,000 4% 1-20-year (serial) coupon school bonds were awarded to E. H. Rollins & Sons of Boston at 100.888, it is stated. Denom. \$1,000. Date Aug. 1 1912. Int. F. & A. at the Old Colony Trust Co. in Boston.

Other bids follow:
Blake Bros. & Co., Boston 100.21 Blodget & Co., Boston 100.09
N. W. Harris & Co., Inc., Bos. 100.16

WHEATON SCHOOL DISTRICT NO. 32 (P. O. Wheaton), Traverse County, Minn.—BONDS VOTED.—At an election held Sept. 7 the voters authorized the issuance of \$8,000 4% heating bonds. The vote was 13 to 0.

WILLIAMSON COUNTY COMMON SCHOOL DISTRICT NO. 75, Tex.—BONDS AWARDED IN PART.—The State Permanent School Fund purchased \$2,000 5% 10-20-year (opt.) building bonds on Sept. 10 at par and int. These bonds are part of an issue of \$8,000, \$2,000 of which has already been sold (V. 95, p. 253).

WILLOW-GLEN SCHOOL DISTRICT, Santa Clara County, Cal.—BOND OFFERING.—Proposals will be received until 11 a. m. Oct. 7 for the \$6,500 school bonds offered without success on Aug. 5 (V. 95, p. 439), reports state.

WILKES-BARRE, Luzerne County, Pa.—BOND OFFERING.—Proposals will be received until 2 p. m. Oct. 3 by F. H. Gates, City Clerk, for \$75,000 of an issue of \$350,000 4 1/4% reg. impt. bonds. Denom. \$1,000. Date Oct. 1 1912. Int. A. & O. at office of City Treas. Due \$30,000 Oct. 1 1917; \$10,000 yearly on Oct. 1 from 1918 to 1921 incl., and \$5,000 Oct. 1 1922. Bonds will be certified as to genuineness by the Columbia-Kniekerbocker Trust Co., N. Y. City. Legality of the issue has been approved by Townsend, Elliott & Townsend of Philadelphia. Official circular states that the city has never defaulted in the payment of principal or interest and that there is no controversy or litigation pending or threatening the corporate existence, of the boundaries of the city, or to the title of any of its present officials to their respective offices, or the validity of these bonds or any other previous issue of outstanding bonds. Cert. check on a national bank for 2% of bonds bid for, payable to the City Treas., required. Bonds to be delivered and paid for Oct. 15. Purchaser to pay accrued int. Bids to be made on blank forms furnished by the city.

WILMERDING, Allegheny County, Pa.—BONDS PROPOSED.—Reports state that on Sept. 12 the issuance of \$25,000 street impt. bonds was ordered by the Boro Council.

WILMOT, Starke County, Ohio.—BOND OFFERING.—Proposals will be received until 12 m. Oct. 7 by Jas. Crise, Village Clerk, for \$1,500 6% street-impt. bonds. Denom. \$300. Date Aug. 16 1912. Due \$300 yearly on Aug. 16 from 1915 to 1919, incl. Purchaser to pay accrued interest.

WINTHROP, Suffolk County, Mass.—TEMPORARY LOAN.—On Sept. 16 a loan of \$25,000, due April 2 1913, was awarded, it is stated, to the First Ward National Bank at 4.75% discount and \$1 premium.

WOOD COUNTY COMMON SCHOOL DISTRICT NO. 24, Tex.—BONDS AWARDED IN PART.—On Sept. 10 \$500 5% 10-40-year (opt.) building bonds were purchased by the State Permanent School Fund at par and int. These bonds are part of an issue of \$5,500, \$2,500 of which has already been disposed of (V. 95, p. 253).

WOODLAND, Cowlitz County, Wash.—BOND OFFERING.—Proposals will be received until 12 m. Sept. 23 by L. G. McConnell, Town Treasurer, it is stated, for \$10,500 water bonds. Cert. Check for 2% required.

YAKIMA COUNTY SCHOOL DISTRICT NO. 97, Wash.—BOND SALE.—On Sept. 14 the \$1,100 coup. bonds (V. 95, p. 640) were awarded to the State of Washington at par for 1-10-yr. (opt.) 5 1/8%. A bid of par and blank bonds for 6% 5-10-yr. (opt.) securities was also received from Wm. D. Perkins & Co. of Seattle.

YALE, St. Clair County, Mich.—BOND SALE.—On Sept. 16 the \$10,000 4 1/4% 15-yr. coup. water-works-ext. bonds (V. 95, p. 705) were awarded to Bolger, Mosser & Willaman of Chicago at 100.50 and int. Other bids:
W. E. Moss & Co., Detroit \$10,013 A. J. Hood & Co., Detroit \$10,006
Ulen & Co., Chicago 10,013 Spitzer, Rorick & Co., Tol. 9,900

YERINGTON, Lyon County, Nev.—BONDS OFFERED BY BANKERS.—Ulen & Co., of Chicago, are offering to investors \$26,000 6% sewer bonds. Denom. \$1,000. Date July 1 1912. Int. J. & J. at the National Bank, of Commerce, N. Y. Due \$13,000 July 1 1927, optional July 1 1922, and \$13,000 July 1 1942, optional July 1 1932.

Canada, Its Provinces and Municipalities.

AURORA, Ont.—LOAN VOTED.—The ratepayers recently passed a by-law, it is stated, providing for a loan of \$15,000 as a bonus to the Collier-Cockerill Co.

BIGGER, Sask.—DEBENTURE SALE.—H. O'Hara & Co. of Toronto have been awarded, it is stated, an issue of \$18,000 5 1/4% debentures.

BLADWORTH, Sask.—DEBENTURE SALE.—During August \$500 6% 5-year debentures were awarded to Nay & James of Regina. Date Aug. 30 1912.

CALGARY, Alta.—DEBENTURE SALE.—G. A. Stimson & Co. of Tor. were awarded in July \$743,000 4 1/4% 30-yr. debentures at 99.50. Denom. \$500. Int. J. & J.

CANORA, Sask.—DEBENTURE OFFERING.—Proposals will be received until Oct. 2 by H. M. Sutherland, Sec.-Treas., for the following 5 1/4% debentures:

\$20,000 30-year electric-light-plant-construction debentures. Interest annually in August.
4,100 20-year cement-sidewalk debentures. Interest annually in Nov.
5,000 20-year water debentures.
Debenture debt (incl. these issues), \$72,110. Assessed val., \$925,650.

CANUCK SCHOOL DISTRICT NO. 719, Sask.—DEBENTURE SALE.—Nay & James of Regina were awarded in August \$1,700 6 1/4% 10-year debentures, dated Aug. 1 1912.

CARLSTADT, Alta.—DEBENTURE SALE.—The \$3,000 6% 10-yr. debentures (V. 95, p. 440) have been awarded, it is stated, to Curran Bros. of Regina.

CASTLETOWN SCHOOL DISTRICT NO. 118, Sask.—DEBENTURE SALE.—Reports state that \$900 school debentures were purchased by G. A. Stimson & Co. of Toronto.

CLEARWATER SCHOOL DISTRICT NO. 635, Sask.—DEBENTURE SALE.—During July \$1,800 6% 10-year debentures were awarded to Nay & James of Regina. Date July 8 1912.

CLOVER VALLEY SCHOOL DISTRICT NO. 2558, Alta.—DEBENTURE SALE.—An issue of \$800 school debentures was purchased, it is stated, by G. A. Stimson & Co. of Toronto.

CLYDE SCHOOL DISTRICT NO. 837, Sask.—DEBENTURE SALE.—Nay & James of Regina were awarded in August \$1,200 6% 10-year debentures. Date Aug. 14 1912.

COLDSTREAM SCHOOL DISTRICT NO. 435 (P. O. Franklin), Man.—DEBENTURE SALE.—The following bids were received on Sept. 1 for the \$1,800 6% 10-installment debentures offered on that day:

Oster, Hammond & Nanton, Winnipeg, \$1,500
H. O'Hara & Co., Winnipeg, 1,490
Nay & James, Regina, \$1,480
J. Mackintosh & Co., Winni-peg, 1,454

COLEMAN SCHOOL DISTRICT NO. 1215, Alta.—DEBENTURE SALE.—Nay & James of Regina were awarded \$7,000 5% 10-year debentures dated July 8 1912, in July.

CREELMAN SCHOOL DISTRICT NO. 993, Sask.—DEBENTURE SALE.—During Aug. \$8,500 6% 20-year debentures dated Aug. 3 1912 were awarded to Nay & James of Regina.

DOMINION, N. S.—DEBENTURES NOT SOLD.—No bids were received on Sept. 15 for the \$20,000 5% 30-yr. water debentures. (V. 95, p. 641.)

EASTVIEW ROMAN CATHOLIC SCHOOL DISTRICT, Ont.—DEBENTURE OFFERING.—Proposals will be received until Sept. 25 (date changed from Oct. 1) by J. B. Charette, Chairman (P. O. Cumming's Bridge), for \$20,000 4½% 25-year debentures, due in equal annual installments of principal and interest from Jan. 15 1918 to Jan. 1 1937. (V. 95, p. 440.)

ELMIRA, Ont.—NO ACTION YET TAKEN.—No action has yet been taken looking towards the issuance of \$2,000 sidewalk and \$2,000 fire-hall 5% debentures offered without success on Aug. 5 (V. 95, p. 377).

ENDERBY, B. C.—DEBENTURE SALE.—On Sept. 6 the \$6,000 6% 20-yr. drainage debentures (V. 95, p. 440) were awarded to C. H. Burgess & Co. of Tor. at 98.35 and int. No other bids were received.

FINDLATER, Sask.—DEBENTURE SALE.—During July Nay & James of Regina were awarded \$500 6% 5-year debentures dated July 29 1912.

FORT SASKATCHEWAN, Alta.—DEBENTURE SALE.—Nay & James of Regina were awarded in August \$20,000 debentures dated Aug. 9 1912.

FOX HILL SCHOOL DISTRICT NO. 190, Sask.—DEBENTURE SALE.—Nay & James of Regina were awarded in July \$400 7% 10-year debentures dated July 19 1912.

FRY SCHOOL DISTRICT NO. 2538, Alta.—DEBENTURE SALE.—An issue of \$1,900 school debentures was purchased by G. A. Stimson & Co. of Toronto, according to reports.

GEORGETOWN, Ont.—DEBENTURES NOT TO BE ISSUED AT PRESENT.—We are advised that the \$3,500 debentures recently voted (V. 95, p. 377) will not be issued for the present, as a temporary loan has been made.

GLENADA SCHOOL DISTRICT NO. 2654, Alta.—DEBENTURE SALE.—An issue of \$1,500 school debentures was purchased by G. A. Stimson & Co. of Toronto.

GLENCOE SCHOOL DISTRICT NO. 622, Alta.—DEBENTURE SALE.—An issue of \$1,400 8% 10-year debentures dated July 19 1912 was awarded to Nay & James of Regina in July.

GOODEVE SCHOOL DISTRICT NO. 2697, Sask.—DEBENTURE SALE.—Nay & James of Regina were awarded in August \$500 6¼% 10-year debentures dated Aug. 9 1912.

GOETHE SCHOOL DISTRICT NO. 510, Sask.—DEBENTURE SALE.—G. A. Stimson & Co. of Toronto have purchased \$800 school debentures.

HARTLIP SCHOOL DISTRICT NO. 2457, Alta.—DEBENTURE SALE.—Reports state that G. A. Stimson & Co. of Toronto purchased \$1,500 school debentures.

HERBERT, Sask.—DEBENTURES PROPOSED.—This village is considering the issuance of \$1,150 cement-sidewalk debts., according to reports.

HOLBEIN SCHOOL DISTRICT NO. 461, Sask.—DEBENTURE SALE.—Nay & James of Regina were awarded in July \$1,200 6% 10-year debentures dated July 3 1912.

HOPE (Rural Municipality), Sask.—DEBENTURE SALE.—The \$6,000 10-yr. debentures which this place has been offering for sale (V. 95, p. 318) have been awarded to C. H. Burgess & Co. of Tor. at 104.107.

INDUSTRY SCHOOL DISTRICT NO. 2517, Alta.—DEBENTURE SALE.—G. A. Stimson & Co. of Toronto have purchased \$1,200 school debentures, reports state.

KEELER SCHOOL DISTRICT NO. 491, Sask.—DEBENTURE SALE.—During July \$2,500 6¼% 10-year debentures were awarded to Nay & James of Regina. Date July 8 1912.

KILLAM, Sask.—DEBENTURE SALE.—Nay & James of Regina have been awarded \$4,000 debentures, according to reports.

KINGSVILLE, N. S.—LOAN ELECTION PROPOSED.—The rate-payers will have an opportunity to vote in the near future, it is stated, on a by-law providing for a loan of \$10,000 to meet the present indebtedness of the corporation.

KINLEY, Sask.—DEBENTURES NOT SOLD.—No award has yet been made of the \$3,500 10-yr. debentures which this place has been offering for sale (V. 95, p. 318).

LAFLECHE SCHOOL DISTRICT NO. 2730, Alta.—DEBENTURE SALE.—An issue of \$1,500 school debentures was purchased by G. A. Stimson & Co. of Toronto.

LAKE OF THE RIVERS (Rural Municipality), Sask.—DEBENTURE SALE.—It is stated that an issue of \$6,000 5¼% 10-yr. debentures has been awarded to Curran Bros. of Regina.

LENNOX SCHOOL DISTRICT NO. 317, Man.—LOAN VOTED.—The election held Aug. 31 resulted, it is stated, in favor of the by-law providing for the loan of \$4,500 for a school building (V. 95, p. 502).

LE ROSS, Sask.—DEBENTURE SALE.—An issue of \$1,000 debentures has been awarded, it is stated, to Nay & James of Regina.

LON BUTTE SCHOOL DISTRICT NO. 2607, Alta.—DEBENTURE SALE.—An issue of \$1,500 school debentures was purchased by G. A. Stimson & Co. of Toronto.

MCDONALD, N. S.—DEBENTURE SALE.—Reports state that an issue of \$1,500 6% 10-yr. debentures has been purchased by H. O'Hara & Co. of Toronto.

MEDICINE HAT, Alta.—LOAN VOTED.—A by-law providing for a loan of \$141,000 for water-works impts. carried, it is stated, at a recent election.

MEDICINE VALLEY SCHOOL DISTRICT NO. 2577, Alta.—DEBENTURE SALE.—G. A. Stimson & Co. of Toronto have purchased \$800 school debentures.

MELFORT, Sask.—DEBENTURE OFFERING.—Proposals will be received until Oct. 18 for the \$125,000 6% 30-year water, sewer and light debentures voted May 31 (V. 94, p. 1585). Denom. \$5,000. Int. annual. J. E. Durnin is Secretary-Treasurer.

MONTMARTE, Sask.—DEBENTURE SALE.—Curran Bros. of Regina have been awarded, reports state, \$3,000 6% 15-yr. debentures.

MORRIS (Rural Municipality), Sask.—DEBENTURE SALE.—An issue of \$6,000 debentures has been purchased, it is reported, by Nay & James of Regina.

NEW LOANS

\$65,775.00

CITY OF MINNEAPOLIS
BONDS

Sealed bids will be received by the Committee on Ways and Means of the City Council of Minneapolis, Minnesota, at the office of the undersigned, THURSDAY, OCTOBER 3D, 1912, at 2 o'clock p. m., for the whole or any part of \$50,000 00 Bassett's Creek Bonds and \$15,775 00 Special Street Acquisition and Improvement Bonds.

The above-described Bassett's Creek Bonds are to be dated September 1, 1912, payable September 1, 1942, at four per cent per annum, payable semi-annually, and no bids will be entertained for a sum less than 95 per cent of the par value of same and accrued interest to date of delivery of bonds.

The \$15,775 00 Special Street Acquisition and Improvement Bonds will be dated October 1st, 1912, to be payable one-fifteenth each year thereafter until and including the last one-fifteenth, which will be paid on October 1st, 1927, with interest at a rate not exceeding five per cent, to be bid by purchaser, payable annually October 1st, and no bid will be entertained for a sum less than the par value of bonds and accrued interest on same to date of delivery.

The above bonds are tax-exempt in the State of Minnesota. The right to reject any or all bids is hereby reserved.

A certified check for two (2%) per cent of the par value of the bonds bid for, made to C. A. Bloomquist, City Treasurer, must accompany each bid.

Circular containing full particulars will be mailed upon application.

By order of the Committee on Ways and Means at a meeting held September 9th, 1912.
DAN. C. BROWN,
City Comptroller.

BLODGET & CO.
BONDS

60 STATE STREET, BOSTON
30 PINE STREET, NEW YORK
STATE, CITY & RAILROAD BONDS

Bolger, Mosser & Willaman
MUNICIPAL BONDS
Legal for Savings Banks,
Postal Savings and Trust Funds.
SEND FOR LIST.
29 South La Salle St., CHICAGO

NEW LOANS.

\$25,000

Putnam County, New York,
HIGHWAY BONDS

Sealed bids will be received by the undersigned up to 12 o'clock noon, SEPTEMBER 25, 1912, for the purchase of \$25,000 County Highway Bonds to be issued by the County of Putnam, New York.

Bonds will be payable \$2,000 on the first day of August in each year from 1918 to 1929, both inclusive, and \$1,000 on the first day of August, 1930, and will bear interest at four and one-half per cent, payable semi-annually on the first days of February and August.

Principal and interest payable at the office of the County Treasurer or at the First National Bank of Brewster, N. Y., in New York exchange.

All bids must be accompanied by a certified check for Two Per Cent of the total amount of the issue.

The right is reserved to reject any and all bids. Bonds will be delivered on October 1, 1912.

EDWARD D. STANNARD,
County Treasurer of Putnam County,
Brewster, N. Y.,
September 5, 1912.

BOND CALL.

PARIS, TEXAS

BOND CALL.

The city of Paris, Texas, hereby exercises its option to call in for cancellation Water Works Bonds, Second Series. These bonds bear interest at 6% per annum, payable semi-annually on the 10th day of January and July, are dated October 15, 1887, optional October 15, 1912, at the Fourth National Bank, New York City. Holders of said bonds will present them as above mentioned at Fourth National Bank for payment. The numbers of said bonds begin with 61 and run to and include 83.

ED. H. McCUISTION, Mayor.

MUNICIPAL AND RAILROAD
BONDS

LIST ON APPLICATION
SEASONGOOD & MAYER
Ingalls Building
CINCINNATI

EDWIN R. CASE
NEW JERSEY SECURITIES
No better State No better Securities
16 EXCHANGE PLACE
Tels 751 and 752 JERSEY CITY

NEW LOANS.

\$10,000

Town of Conrad, Montana,
SEWER BONDS

Notice is hereby given by the Town Council of the Town of Conrad, in the State of Montana, that the sewer bonds of said town in the sum of \$10,000 00, bearing interest at six (6) per cent per annum, interest payable semi-annually on the first of January and first of July in each year, will be offered for sale at public auction to the bidder offering the highest price therefor, at the Council Chambers of the Town of Conrad, in the Town of Conrad, County of Teton and State of Montana, on the 21ST DAY OF OCTOBER, A. D. 1912, at the hour of seven o'clock p. m. of that day.

The Council reserves the right to reject all or any bids or offers of purchase.

The principal of said bonds to be payable in twenty years from the date hereof, and \$2,000 00 redeemable in ten years, \$3,000 00 redeemable in fifteen years from the date thereof, at the option of the Town Council. All tenders, bids or offers to purchase to be addressed to R. Ferguson, Mayor, and a certified check for not less than \$100 00 to accompany each bid to insure good faith on behalf of the bidder.

Dated at Conrad, Montana, this 5th day of September, 1912.
ARTHUR D. JOHNSON,
Town Clerk.

By order of the Town Council.
September 5, 1912.

F. WM. KRAFT
LAWYER.

Specializing in Examination of
Municipal and Corporation Bonds
1037-9 FIRST NATIONAL BANK BLDG.,
CHICAGO, ILL.

ESTABLISHED 1855.

H. C. SPEER & SONS CO.
First Nat. Bank Bldg., Chicago
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COUNTY AND MUNICIPAL BONDS

TERRITORY OF HAWAII

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Tax Free Throughout United States
Accepted at par for Govt. and Postal Deposits.
STACY & BRAUN
Toledo, O. Cincinnati, O.

NIAGARA FALLS, Ont.—LOAN VOTED.—Reports state that a favorable vote was cast recently on a by-law providing for a loan of \$7,000 for water-works improvements.

OLIVET SCHOOL DISTRICT NO. 1131, Sask.—DEBENTURE SALE.—Nay & James of Regina were awarded in August \$600 6 1/4% 10-year debentures dated Aug. 30 1912.

OSHAWA, Ont.—LOAN AUTHORIZED.—The Council recently passed a by-law, it is reported, providing for a loan of \$32,000 for a school building.

PANGMAN, Sask.—DEBENTURE SALE.—An issue of \$1,000 debentures was purchased by Nay & James of Regina, it is reported.

PORT ALBERNI, B. C.—LOAN VOTED.—A by-law providing for a loan of \$100,000 for a water-works system was recently passed by the burgesses, according to reports.

PORT ARTHUR, Ont.—DEBENTURES VOTED.—The election held Sept. 16 resulted in favor of the proposition to issue 4 1/4% 20-yr. debentures, aggregating approximately \$750,000.

RAINBOW SCHOOL DISTRICT NO. 2499, Alta.—DEBENTURE SALE.—According to reports G. A. Stimson & Co. of Toronto have purchased an issue of \$1,200 school debentures.

RAVINE SCHOOL DISTRICT NO. 355, Sask.—DEBENTURE SALE.—Nay & James of Regina were awarded in August \$1,400 6 1/4% 10-year debentures dated Aug. 30 1912.

REGINA SCHOOL DISTRICT NO. 4, Sask.—DEBENTURE SALE.—The \$275,000 4 1/4% 20-installment building debentures offered on Sept. 2 (V. 95, p. 318) were awarded, it is stated, to Wood, Gundy & Co. of Tor.

ROYAL SCHOOL DISTRICT NO. 2337, Alta.—DEBENTURE SALE.—Nay & James of Regina were awarded in July \$500 6 1/4% 5-year debentures dated Aug. 1 1912.

ST. THOMAS, Ont.—DEBENTURES VOTED.—The election held Sept. 16 resulted in favor of the proposition to issue the following debentures (V. 95, p. 565.)

\$35,000 5% 10-yr. "St. Thomas Biscuit Co." bonus debentures by a vote of 1,368 to 148.

15,000 5% 10-yr. "Erie Iron Works" bonus debentures by a vote of 1,282 to 216.

2,500 "Gallion Metallic Grave Vault Co." site-purchase debentures by a vote of 1,295 to 183.

SACRE COEUR SCHOOL DISTRICT NO. 1586, Sask.—DEBENTURE SALE.—During August \$2,500 6% 20-year debentures were awarded to Nay & James of Regina. Date Aug. 14 1912.

SARNIA, Ont.—LOAN ELECTION PROPOSED.—An election will be held in the near future, it is reported, to vote on a by-law providing for a loan of \$240,000 to erect a pumping-station at Port Edward.

SCHOTLAND SCHOOL DISTRICT NO. 2368, Alta.—DEBENTURE SALE.—G. A. Stimson & Co. of Toronto have purchased an issue of \$800 school debentures.

SHEHO, Sask.—DEBENTURE OFFERING.—Proposals will be received until 12 M Oct. 1 by the Sec.-Treas. for \$2,000 6% debentures, due in 15 annual installments, beginning Jan. 2 1914.

SIMCOE COUNTY (P. O. Barrie), Ont.—DEBENTURE OFFERING.—Proposals will be received until 12m. Oct. 15 by Daniel Quinlan, Treas., for \$20,000 5% debentures due in 20 annual instalments of principal and interest.

STARKE SCHOOL DISTRICT NO. 2651, Alta.—DEBENTURE SALE.—According to reports, \$1,400 school debentures have been purchased by G. A. Stimson & Co. of Toronto.

STRONG SCHOOL DISTRICT NO. 1788, Alta.—DEBENTURE SALE.—Nay & James of Regina were awarded last month \$300 6 1/4% 10-year debentures dated Aug. 3 1912.

TOSLIN SCHOOL DISTRICT NO. 499, Man.—DEBENTURE SALE.—Nay & James of Regina were awarded \$2,400 6% 20-year debentures dated Aug. 3 1912, during August.

TWEED SCHOOL DISTRICT NO. 463, Sask.—DEBENTURE SALE.—Nay & James of Regina were awarded in July \$1,500 6 1/4% 10-year debentures dated July 8 1912.

WATROUS, Sask.—DEBENTURES NOT SOLD.—No award was made on Sept. 9 of the \$83,000 5 1/4% 40-yr. debentures (V. 95, p. 503). We are advised that bids will now be received at any time for these securities.

WELLINGTON (Rural Municipality No. 97), Sask.—DEBENTURE SALE.—The \$5,000 5% 20-yr. road debentures (V. 95, p. 641) were awarded, it is stated, to Curran Bros. of Regina.

WEST BRANCH SCHOOL DISTRICT NO. 2712, Alta.—DEBENTURE SALE.—It is stated that an issue of \$600 school debentures has been purchased by G. A. Stimson & Co. of Toronto.

WEST VANCOUVER, B. C.—LOAN ELECTION.—An election will be held to-day (Sept. 21), reports state, to vote on a by-law providing for the issuance of \$100,000 debentures for a ferry.

WHITE STAR SCHOOL DISTRICT NO. 550, Sask.—DEBENTURE SALE.—Reports state that \$800 school debentures have been purchased by G. A. Stimson & Co. of Toronto.

WILDFLOWER SCHOOL DISTRICT NO. 2560, Alta.—DEBENTURE SALE.—G. A. Stimson & Co. of Toronto have purchased an issue of \$2,000 school debentures.

WILD ROSE VALLEY SCHOOL DISTRICT NO. 831, Sask.—DEBENTURE SALE.—During August \$1,500 6 1/4% 10-year debentures were awarded to Nay & James of Regina. Date Aug. 30 1912.

WINDSOR, N. S.—PURCHASER OF DEBENTURES.—Reports state that the purchaser of the \$10,000 5% 30-yr. debentures recently sold (V. 95, p. 706) was the Royal Securities Corp., Ltd., Toronto.

WINDEMERE SCHOOL DISTRICT NO. 2698, Alta.—DEBENTURE SALE.—It is reported that an issue of \$1,600 school debentures has been purchased by G. A. Stimson & Co. of Toronto.

WINNIPEG, Man.—RESULT OF LOAN ELECTION.—According to local papers the election held Sept. 13 to vote on four by-laws providing for loans, aggregating \$3,100,000 (V. 95, p. 565), resulted as follows:

Loans Voted	For.	Against.
\$500,000 for new exhibition site, Klidonan	1,435	757
750,000 for additions to electrical system	1,783	356
50,000 for public bath-house and gymnasium	1,361	752
Loan Defeated.	For.	Against.
\$1,800,000 for water-system from Poplar Springs	1,029	1,131

WRENFORD (Rural Municipality No. 379), Sask.—DEBENTURE SALE.—The \$3,000 6% 10-yr. permanent impt. debentures (V. 95, p. 641) were awarded to Curran Bros. of Regina, according to reports.

YORKTON, Sask.—LOAN ELECTION.—Reports state that by-laws providing for the following loans will be submitted to the ratepayers on Sept. 27: \$91,000 to improve and extend the electric-light system; \$1,000 for grounds for collegiate institute; \$1,000 for land re water works; \$48,000 for an outfall sewer, and \$18,000 for water-works extensions.

ZEALANDIA, Sask.—DEBENTURE SALE.—Nay & James of Regina were awarded \$6,000 6% 15-year debentures in July. Date July 3 1912.

MISCELLANEOUS.

THE LONDON CITY & MIDLAND BANK LIMITED

Established 1836

HEAD OFFICE: 5 THREADNEEDLE ST., LONDON, E.C.

Telegraphic Address: "CINNABAR, LONDON"


Foreign Branch Office: 8 FINCH LANE, LONDON, E.O.

Telegraphic Address: "CINNAFOREX, LONDON"

Subscribed Capital	- - - -	\$95,741,700
Paid Up Capital	- - - -	19,946,187
Reserve Fund	- - - -	16,951,568
Deposits	- - - -	400,000,000

THE BANK HAS OVER 700 OFFICES IN THE PRINCIPAL CITIES AND TOWNS OF ENGLAND AND WALES

SIR EDWARD H. HOLDEN, Bart., Chairman



Mellon National Bank

PITTSBURGH, PA.

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Assurance of safety, perfect service and 3% interest on reserve accounts are offered to correspondents of this bank. Your account is invited.

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MUNICIPAL BONDS
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HODENPYL, HARDY & CO.
14 Wall St., New York
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MISCELLANEOUS.

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Interest allowed on accounts of
Individuals and Corporations

Adrian H. Muller & Son,
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Corner Pine Street.

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We purchase and operate
Public Utility Properties
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CORPORATION LOANS
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GENERAL
SEP 23 1912

TWO SECTIONS—SECTION TWO

The Commercial & Financial Chronicle

AMERICAN BANKERS' CONVENTION SECTION.

GIVING PROCEEDINGS OF THE

Convention of American Bankers' Association

Held at Detroit, September 10, 11, 12 and 13, 1912.

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September 21, 1912.

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GIRARD TRUST COMPANY

PHILADELPHIA, PA.

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**Acts as Executor, Trustee, Guardian, Administrator, Assignee
and Receiver, also as Depositary under Plans of
Reorganization, and as Financial Agent
for Individuals or Corporations.**

**Assumes entire charge of Real Estate. Allows Interest on
Deposits, and Rents Safes in Burglar-Proof Vaults.**

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Mississippi Valley Trust Co. **ST. LOUIS**

**This Institution offers Efficient Trust
Company Service through Six Complete
Departments.**

**With it, Courtesy and Care in the smallest
matters have gone hand in hand with
Success in the most important.**

**It is Especially Equipped to Act as
Your Agent in St. Louis and the
Southwest.**

Capital, Surplus and Profits, - - \$8,500,000.00

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FOUNDER'S COURT, LOTHBURY, E. C.
SPECIAL OFFICE FOR TRAVELERS, 123 PALL MALL, S. W.

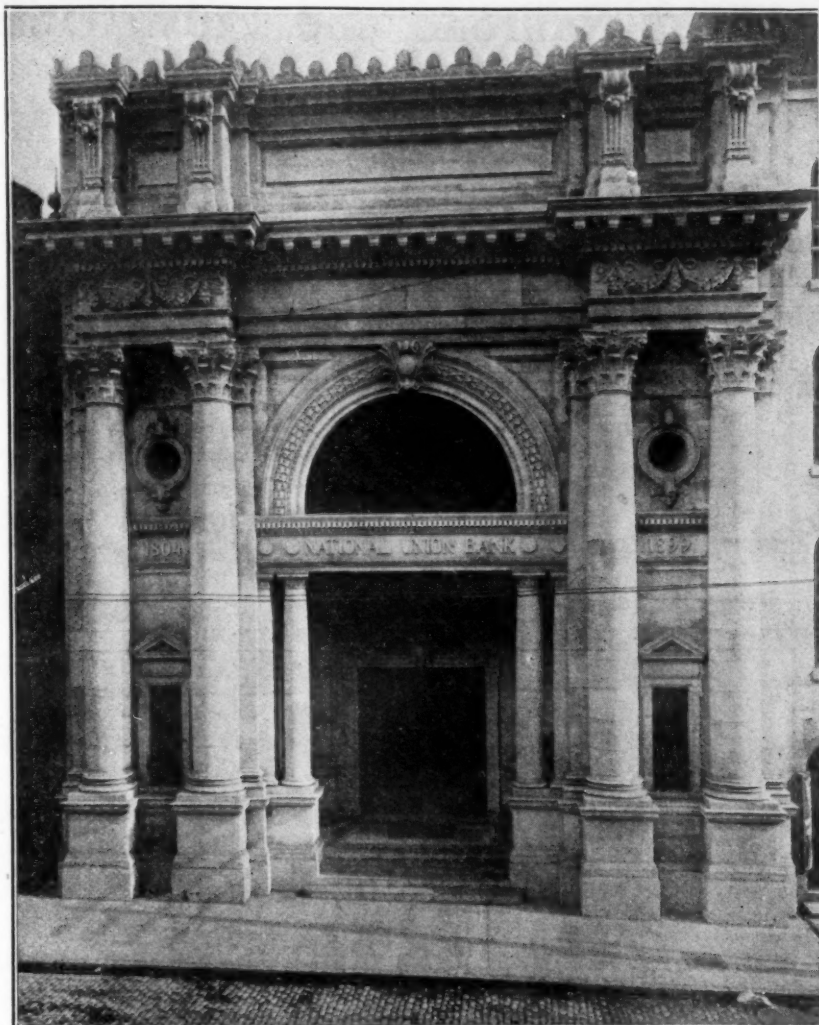
LONDON

THE NATIONAL UNION BANK OF MARYLAND

AT BALTIMORE, MARYLAND

Capital, \$1,000,000

Surplus and Undivided Profits, Net, at the
close of August 30th, 1912, \$676,149.56



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S. STERETT McKIM, Vice-President and Cashier

MILTON B. WILLIAMS, Asst. Cashier

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Consumers Power Co.	Springfield Railway & Light Co.
Grand Rapids Railway Co.	Peoria Light Co.
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Tennessee Railway, Light & Power Co.	Portland Railway, Light & Power Co.
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Chattanooga Railway & Light Co.	Bangor Railway & Electric Co.

in all of which companies we are connected with the management.

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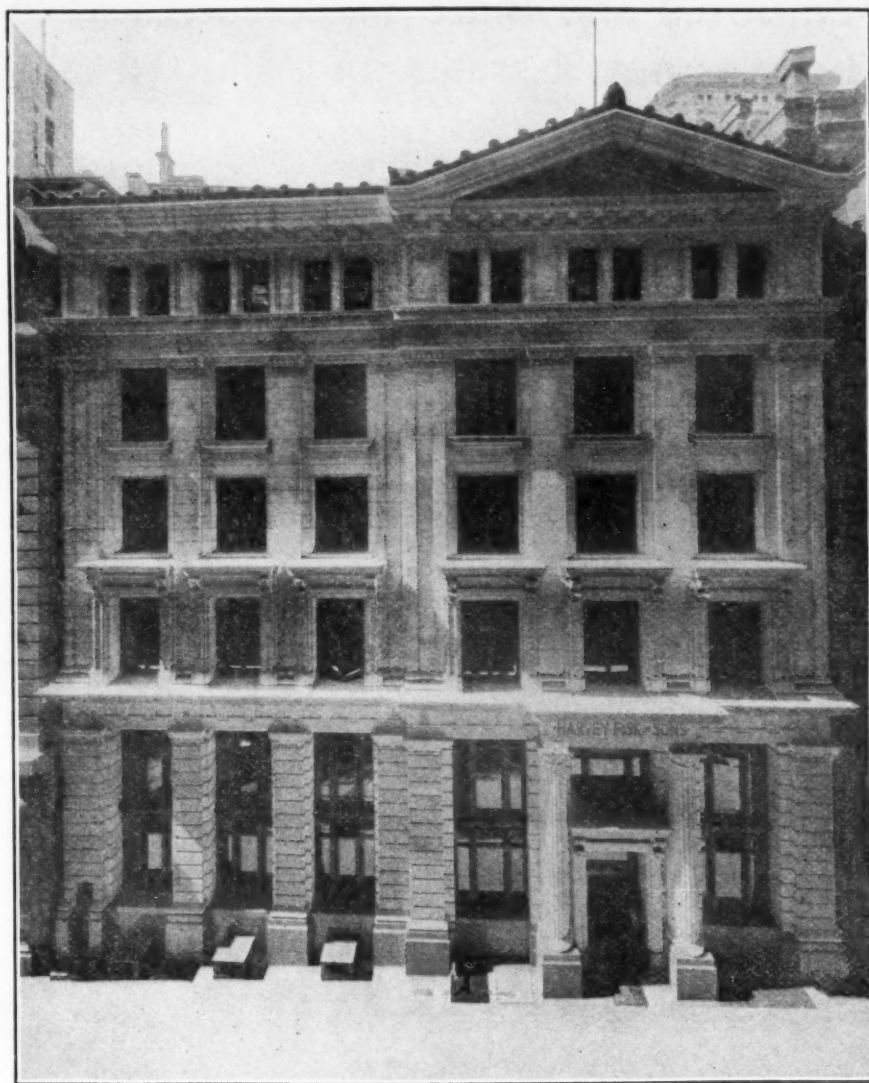
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SURPLUS and PROFITS 11,500,000



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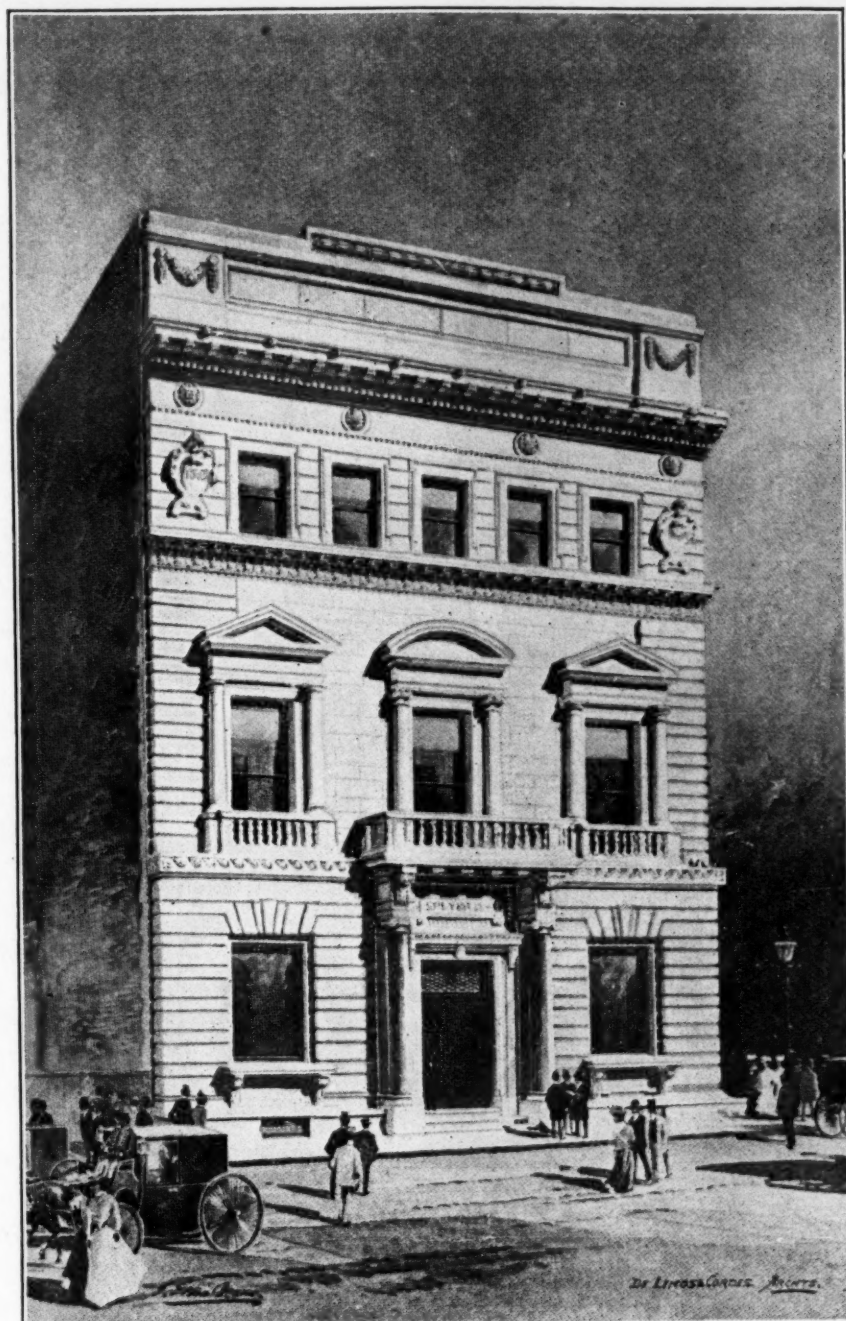
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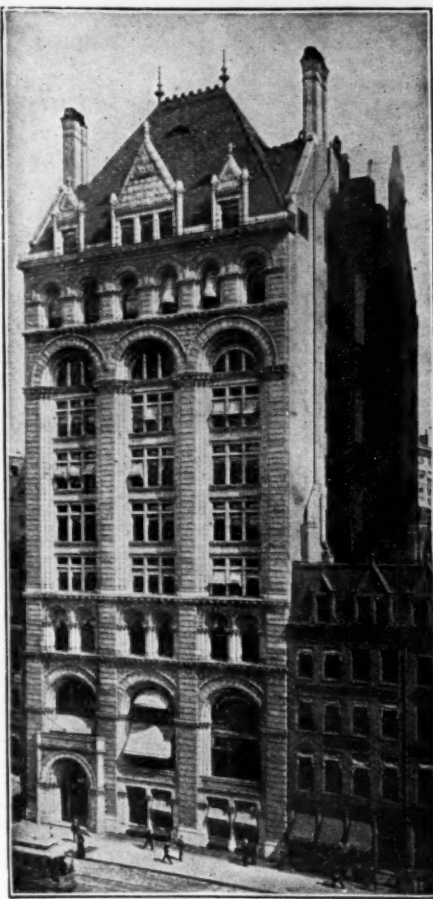
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Avenue
Corner
38th Street



MAIN OFFICE, 80 BROADWAY.

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Corner
60th Street

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Surplus \$7,700,000.00

Total Resources \$74,167,889.20

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SURPLUS
\$4,000,000

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THOMAS S. GATES, Vice-President

JAY GATES, Trust Officer

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C. OSBORNE, Asst. Trust Officer

C. S. NEWHALL, Asst. Treasurer

J. WILLIAMSON, II., Asst. Secy.

J. R. CARPENTER, Jr., 2nd Asst. Treas.

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ALFRED C. HARRISON
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SAMUEL T. BODINE**

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16 Wall Street, New York

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Commerce, New York
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SAMUEL G. BAYNE,
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Bank, New York
FRED'K T. HASKELL,
V-Pres't Illinois Trust and
Savings Bank, Chicago
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Chairman of the Board,
Chase Nat. Bank, New York
FRANCIS L. HINE,
President First National
Bank, New York
THOMAS W. LAMONT,
J. P. Morgan & Co., Bankers,
New York



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Blair & Co., Bankers, New
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Bank, New York
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Pres't Mechanics' and Metals
Nat. Bank, New York
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Vice-President, New York
DANIEL E. POMEROY,
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J. P. Morgan & Co., Bankers,
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Vice-President, New York
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President First National Bank,
Kansas City
GILBERT G. THORNE,
Vice-President National Park
Bank, New York
EDWARD TOWNSEND,
Pres't Importers and Traders'
Nat. Bank, New York
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New York
SAMUEL WOOLVERTON,
Vice-President Hanover National
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H. B. THORNE, Vice-Pres.
G. G. THOMSON, Secretary

B. STRONG, Jr., Vice-Pres.
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F. I. KENT, Vice-Pres.
F. N. B. CLOSE, Vice-Pres.
G. W. BENTON, Treasurer

Affords exceptional security and service as a Depositary for the inactive
accounts of Banks and Trust Companies

Capital, \$10,000,000 Surplus, \$10,000,000

The Union Trust Company of Pittsburgh

CAPITAL, SURPLUS AND UNDIVIDED PROFITS

\$31,000,000.00

Transacts a General Banking and
Trust Company Business

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ANDREW W. MELLON.....Vice President
JAMES M. SCHOONMAKER.....Vice President
SCOTT HAYES.....Treasurer
JOHN A. IRWIN.....Secretary
WILLIAM I. BERRYMAN.....Trust Officer
CARROLL P. DAVIS.....Assistant Trust Officer
SIDNEY S. LIGGETT, Manager Bond Department

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JOHN B. FINLEY
HENRY C. FOWNES
WILLIAM N. FREW
HENRY C. FRICK
BENJAMIN F. JONES, JR.
PHILANDER C. KNOX
JAMES H. LOCKHART
J. MARSHALL LOCKHART
THOMAS LYNCH

ANDREW W. MELLON
RICHARD B. MELLON
THOMAS MORRISON
HENRY C. McELDOWNEY
DAVID E. PARK
HENRY PHIPPS
HENRY R. REA
WILLIAM B. SCHILLER
JAMES M. SCHOONMAKER
GEORGE E. SHAW

CENTRAL TRUST COMPANY

of NEW YORK

54 Wall Street

Capital and Surplus, \$18,000,000
(of which \$17,000,000 has been earned)

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B. G. MITCHELL, Vice-President

GEO. W. DAVISON, Vice-President

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F. B. SMIDT, Asst. Secretary

C. P. STALLKNECHT, Asst. Secy.

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Milton Ferguson

Allows interest on deposits, returnable on demand, or at specified dates. Is authorized to act as Executor, Administrator, Guardian, or in any other position of trust. Also as Registrar of Stocks and Bonds, and as Trustee for Railroad and other Mortgages.


As Firm as "Gibraltar's Rock"—the

National Mechanics Bank

OF BALTIMORE, MD.

Has stood for more than 100 years unmoved
by panics or financial storms

IT WANTS YOUR BUSINESS

This Bank is on the National Roll
of Honor and offers you 

CAPITAL
OURTESY
ONSERVATISM and
ONSIDERATION

Capital and Surplus, \$2,000,000



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JAMES SCOTT, Cashier

CHARLES HANN, Ass't Cashier
ROBERT A. WELSH, Ass't Cashier

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D. D. Mallory
John B. Ramsay
Miles White, Jr.
Geo. K. McGaw
Summerfield Baldwin, Jr.

Jere H. Wheelwright
David Hutzler
Lawrason Riggs
E. B. Hunting
Morris Whitridge
Seymour Mandelbaum
W. S. Hilles

Samuel C. Rowland
Franklin Q. Brown
E. W. Lane
J. C. Fenhagen
William Wallace Lanahan
W. Bladen Lowndes

"It costs you little to write to us, and it may pay you. Try us."

New York Life Ins. and Trust Company

CHARTERED IN 1830

52 WALL STREET, NEW YORK

Grants annuities. Accepts Trusts created by Will or otherwise. Manages property as Agent for the owners. Allows interest on deposits payable after ten days' notice.
Legal Depository for Executors, Trustees and Money in Suit.

Accepts only Private Trusts and declines all Corporation or other Public Trusts

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WALTER KERR, 1st Vice-President
HENRY PARISH, Jr., 2d Vice-President
S. M. B. HOPKINS, 3d Vice-President
Z. W. van ZELM, Secretary

IRVING L. ROE, Asst. Secretary
J. LOUIS van ZELM, Asst. Secretary
JOHN C. VEDDER, Asst. Secretary

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Henry Parish
Frederic W. Stevens
Stuyvesant Fish
Edmund L. Baylies
George S. Bowdoin
Henry A. C. Taylor
C. O'D. Iselin
W. Emlen Roosevelt
Joseph H. Choate
Samuel Thorne
John L. Cadwalader

TRUSTEES

Augustus D. Juilliard
Henry Lewis Morris
Cornelius Vanderbilt
John McL. Nash
John Claflin
Cleveland H. Dodge
Thomas Denny
Lincoln Cromwell
Paul Tuckerman
Walter Kerr
Howard Townsend



CORNER-STONE OF THE OLD UNITED STATES BRANCH BANK
as mounted in the Office of the New York Life Insurance and Trust Company

STATEMENT

Made to the Banking Department of the State of New York at the close of business on June 14, 1912

ASSETS		LIABILITIES	
Real Estate.....	\$2,715,613.99	Capital.....	\$1,000,000.00
Bonds and Mortgages.....	3,080,467.50	Surplus Fund and Undivided Profits	
Loans on Collaterals.....	3,046,700.00	(Market Value).....	4,227,542.83
Bills Receivable.....	15,126,981.59	Deposites in Trust.....	35,238,616.99
Cash on Deposit.....	1,378,532.33	Annuity Fund.....	2,550,589.63
Cash in Company's Vaults.....	4,400,000.00	Life Insurance Fund.....	375,786.92
Accrued Interest, Rents, Suspense Ac-		Interest Due Depositors, Taxes, &c.....	588,835.56
count, &c.....	260,506.58		
Bonds and Stocks (Market Value).....	13,972,569.94		
	\$43,981,371.93		\$43,981,371.93

BERTRON, GRISCOM & CO.

NEW YORK

PHILADELPHIA

PARIS

We maintain a large and thoroughly equipped organization for

EXAMINING
*the properties of public
service corporations*

PURCHASING
*public service
corporations*

OPERATING
*public service
corporations*

SELLING
*public service corpo-
ration securities*

AS such companies are operated or financed under our direct supervision, we are thoroughly familiar with their properties and business, and we can therefore confidently recommend their securities to our customers. We call attention to the following

TWENTY-FOUR PROSPEROUS COMPANIES

furnishing gas, electric railway or electric light and power service, either controlled by us or in which we are largely interested.

AMERICAN CITIES COMPANY

SUBSIDIARY OPERATING PROPERTIES:

New Orleans Railway & Light Co.
Birmingham Railway, Light & Power Co.
The Memphis Street Railway Co.

Little Rock Railway & Electric Co.
Knoxville Railway & Light Co.
Houston Lighting & Power Co., 1905

EARNINGS:

The large earnings and rapidly increasing business of these subsidiary properties are shown by the following comparative statement of earnings:

For the years ended December 31st	1911	1910	Increase	Per cent.
Gross.....	\$13,303,683	\$12,642,269	\$661,413	5.2%
Operating expenses and taxes.....	7,974,809	7,621,117	353,691	4.7%
Net earnings.....	\$5,328,874	\$5,021,152	\$307,722	6.1%

THE UNITED GAS AND ELECTRIC CORPORATION

SUBSIDIARY OPERATING PROPERTIES:

Altoona Gas Co., Altoona, Pa.
Citizens Gas & Fuel Co., of Terre Haute, Ind.
Colorado Springs Light, Heat & Power Co.
Elmira Water, Light & Railroad Co., Elmira, N. Y.
Hartford City Gas Co., Hartford, Conn.
Leavenworth Light, Heat & Power Co., Kansas
Lockport Light, Heat & Power Co., Lockport, N. Y.
Harrisburg Light, Heat & Power Co., Pa.
Houston Gas & Fuel Co., Houston, Texas

Richmond Light, Heat & P. Co., Richmond, Ind.
Union Gas & Electric Co., Bloomington, Ill.
The Wilkes-Barre Co., Pa.
Conestoga Traction Co., Lancaster Co., Pa.
The Edison Electric Co., Lancaster, Pa.
Lancaster Gas, Light & Fuel Co., Lancaster, Pa.
Conestoga Realty Co., Lancaster, Pa.
Consumers Elec. Light & P. Co., New Orleans
International Railways Co., of Buffalo, N. Y.

EARNINGS:

The subsidiary properties are showing large annual increases in earnings, as appears by the following comparative statement:

For the years ended December 31st,	1911	1910	Increase	Per cent.
Gross.....	\$12,311,477	\$11,610,014	\$701,463	5.7%
Operating Expenses.....	7,471,248	7,145,810	325,439	4.3%
Net earnings.....	\$4,840,229	\$4,464,204	\$376,024	7.7%

We shall be glad to correspond with investors and to submit for their consideration a carefully selected list of securities issued by companies in which we are interested.

Mortgage Bonds	{ yielding an income of }	5 to 6%
Secured Short Term Notes		5½ " 6%
Preferred Stocks		6½ " 7½%

N. W. HALSEY & CO.

49 Wall St., New York

Philadelphia

Chicago

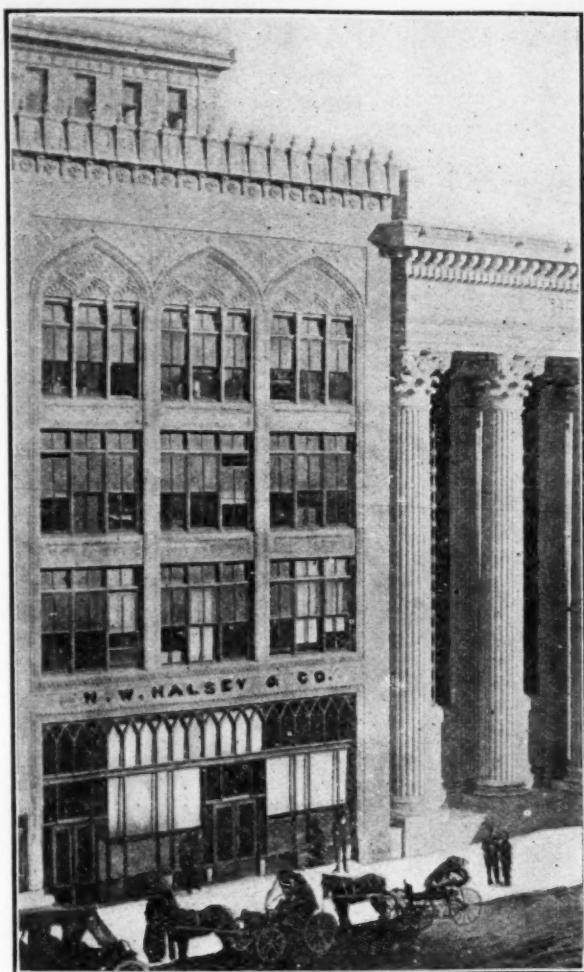
San Francisco

Detroit

Los Angeles

London

Geneva



HALSEY BUILDING, SAN FRANCISCO

THE upbuilding of this business over a period of years has been due primarily to the policy of confining our offerings and recommendations to investment securities which have received the approval of our experts after thorough examination.

Sound Investment Bonds

Bought --- Sold --- Appraised

Our Organization Covers All Markets for American Bonds

Inquiry Invited. Address Nearest Office

Redmond & Co.

33 Pine Street, New York

Transact a General Foreign and Domestic Banking Business



REDMOND BUILDING, 33 PINE STREET, NEW YORK

Make arrangements with banks and bankers, whereby they can draw their own direct drafts, as principals, on any banking city of the world.

Issue
Letters of Credit
and
Travelers' Cheques
Payable all
over the Globe

Open
Commercial Credits
in favor of
American Importers

Foreign Bills of Exchange
and Cable Transfers

Investment Securities

Act as fiscal agents, and make loans to railroads and corporations. Receive accounts subject to sight-draft, and allow interest on credit balances. Execute commission orders.

Members New York Stock Exchange

MEGARGEL & Co.

BANKERS

35 PINE ST., NEW YORK

CHICAGO
39 South La Salle St.

ALBANY
First National Bank Bld'g

WORCESTER
Slater Building

Transact a General Bank-
ing and Investment Business.

Act as Fiscal Agents for
Railroads and Corporations
and make loans thereon.

Issue letters of credit and
travelers' checks available
throughout the world.

Receive deposits subject to
check and allow interest on
daily balances.



MEGARGEL BUILDING
35 Pine St., New York

Dealers in High Grade
Railroad, Public Service and Corporation Securities
List of offerings sent on request

Seasoned Public Utility Securities

FOR BANKS, INSTITUTIONS and PRIVATE INVESTORS

This house offers exceptional opportunities to participate in the original issues of public utility securities which it brings out from time to time. We should be glad to furnish details, explaining the many advantages to be obtained by such participation.

For many years we have been the fiscal agents for the American Water Works & Guarantee Company and other public utility companies. The officers of the American Water Works & Guarantee Company by their connection with many different types of public utilities, extending over a period of more than a quarter of a century, have acquired a wide knowledge of the construction and operation of such enterprises. Their judgment and foresight, based upon this long experience, is a protection afforded our clients in addition to the examinations made by our own attorneys, accountants and engineers.

Each issue of bonds purchased by this house and offered to our clients has been subjected to the most rigorous examination and meets all of the requirements of a conservative investment. The list of our present offerings includes waterworks, traction, and hydro-electric bonds yielding from 5% to 6% interest, and municipal bonds yielding from 3.50% to 4.20% interest. Investors are requested to write for descriptive circular No. 262.

J. S. & W. S. KUHN, INC.

Bank for Savings Building
PITTSBURGH, PA.

CHICAGO
First National Bank Bldg.

BOSTON
Kuhn, Fisher & Co., Inc.

LONDON: J. S. & W. S. Kuhn (European Agency), Ltd., Pinners Hall, Austin Friars

PHILADELPHIA
Real Estate Trust Bldg.
NEW YORK
37 Wall Street

EARNINGS DID IT:—

		Sept. 3, 1911		Sept. 3, 1912	
		bid	asked	bid	asked
American Gas & Electric	com.	56	59	90	94
" "	pfd.	42	44	49	50
American Light & Traction	com.	294	298	424	426
" "	pfd.	105	106	111	113
Cities Service Co.	com.	71	75	115	119
" "	pfd.	77	79	91½	92½
Gas and Electric Securities	com.	102	106	145	155
" "	pfd.	85	90	96	98

McCONNELL'S HAND BOOK AND OUR MONTHLY CIRCULAR MAILED ON REQUEST

WILLIAMS, McCONNELL AND COLEMAN

60 WALL ST.

BONDS

STOCKS

NEW YORK

PHONE 495 JOHN

HENRY L. DOHERTY & CO.

Bankers

Purchase and Lease Gas and Electric
Properties. Execute Reorganizations

CORRESPONDENCE INVITED

SIXTY WALL STREET -- NEW YORK

SEABOARD NATIONAL BANK

OF THE CITY OF NEW YORK

18 Broadway and 5 Beaver Street

CAPITAL
\$1,000,000

SURPLUS and PROFITS
(EARNED)
\$2,200,000

DEPOSITS
\$35,000,000



S. G. BAYNE,
President
S. G. NELSON,
Vice-President
C. C. THOMPSON,
Cashier
W. K. CLEVERLEY,
Asst. Cashier
L. N. DeVAUSNEY,
Asst. Cashier
J. C. EMORY,
Asst. Cashier
O. M. JEFFERDS,
Asst. Cashier.

DIRECTORS

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Edward C. Bodman
Joseph Seep
Edw. H. R. Green
T. Wistar Brown
Stuart G. Nelson
Charles Lathrop Pack
Frederick H. Eaton
Wm. W. Lawrence
Herbert H. Hewitt
Charles C. Thompson

WE INVITE YOUR ACCOUNT

No. 374

FIRST NATIONAL BANK

OF JERSEY CITY, N. J.

DESIGNATED DEPOSITORY OF THE UNITED STATES

Capital,	- - - - -	\$400,000.00
Surplus and Net Profits,	- - -	\$1,335,000.58
Deposits,	- - - - -	\$6,905,375.41

OFFICERS

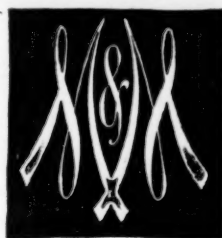
GEORGE T. SMITH, President	ROBERT E. JENNINGS, Vice-Pres.
EDWARD I. EDWARDS, Cashier	HENRY BROWN, Jr., Asst. Cashier

DIRECTORS

Hamilton Wallis,	George T. Smith,	Robert E. Jennings,	Henry E. Niese,
Charles Siedler,	Wm. H. Corbin,	Edward L. Young,	Edw. I. Edwards

The Mechanics and Metals National Bank

OF THE CITY OF NEW YORK



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ALEXANDER E. ORR, Vice-Pres.
NICHOLAS F. PALMER, Vice-Pres.
FREDERIC W. ALLEN, Vice-Pres.
FRANK O. ROE, Vice-Pres.

WALTER F. ALBERTSEN, Vice-Pres
JOSEPH S. HOUSE, Cashier.
ROBERT U. GRAFF, Asst. Cash.
JOHN ROBINSON, Asst. Cash.
CHARLES E. MILLER, Asst. Cash.

Capital, Surplus and Undivided Profits, \$14,000,000

United States Mortgage & Trust Company

New York

Member N. Y. Clearing House Association

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CALVERT BREWER
Vice-President
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Treasurer

HENRY L. SERVOSS
Ass't Treasurer

HARRY W. HADLEY
Ass't Treasurer

CHAUNCEY H. MURPHEY
Ass't Treasurer

CARL G. RASMUS
Vice-President

FRANK J. PARSONS
Vice-President
ALEXANDER PHILLIPS
Secretary

T. W. B. MIDDLETON
Ass't Treasurer

VICTOR EHRLICHER
Ass't Secretary

WILLIAM T. LAW
Ass't Secretary

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JAMES G. CANNON...Pres't Fourth National Bank, New York
LEWIS L. CLARKE...Pres't American Ex. Nat'l Bank, New York
THOMAS DE WITT OUYLER.....President Commercial Trust
Company.....Philadelphia
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ALLEN B. FORBES.....Harris, Forbes & Co., New York
ROBERT A. GRANNISS.....New York
HENRY R. ICKELHEIMER...Heidelberg, Ickelheimer & Co., N.Y.
WILLIAM A. JAMISON.....Arbuckle Brothers, New York
LOUIS C. KRAUTHOFF.....Counsellor-at-Law, New York
JULIUS KRUTTSCHNITT.....Director of Maintenance and
Operation, Union and Southern Pacific Systems.....New York

ADOLPH LEWISOHN.....Adolph Lewisoohn & Sons, New York
ROBERT OLYPHANT.....New York
JOHN W. PLATTEN.....President of the Company
MORTIMER L. SCHIFF.....Kuhn, Loeb & Co., New York
HENRY TATNALL.....Vice-Pres't, P. R. R. Co., Philadelphia
EBEN B. THOMAS...Pres't Lehigh Valley R. R. Co., New York
JAMES TIMPSON.....Second Vice-Pres't. and Financial Mgr.
The Mutual Life Insurance Company.....New York
GUY E. TRIPP.....Chairman of the Board Westinghouse
Electric & Manufacturing Company.....New York
ARTHUR TURNBULL.....Post & Flag, New York
CORNELIUS VANDERBILT.....Kuhn, Loeb & Co., New York
PAUL M. WARBURG.....First Vice-Pres't, Commercial Cable Co., N. Y.

CAPITAL, - - - \$2,000,000
SURPLUS, - - - \$4,000,000
TOTAL RESOURCES, \$76,000,000

55 CEDAR STREET
BROADWAY AT 73d ST.
125th ST. AT EIGHTH AVE.

THE EQUITABLE TRUST COMPANY OF NEW YORK

37 WALL STREET

COLONIAL BRANCH, 222 Broadway
FIFTH AVENUE BRANCH, 618 Fifth Avenue

LONDON BRANCH, 95 Gresham Street, E. C.
PARIS BRANCH, 23 Rue De La Paix

This Company offers SPECIALIZED SERVICE to bankers and banking institutions.

INVESTMENT SECURITIES in our CUSTODY and CARE are always available for delivery.

The BOND DEPARTMENT will investigate properties, finance propositions of merit, and market securities.

Your New York account and business cordially invited.

<i>Capital and Surplus</i>	=	=	=	=	\$13,000,000
<i>Deposits</i>	=	=	=	=	87,000,000

ORGANIZED 1838

NATIONALIZED 1865

THE AMERICAN EXCHANGE NATIONAL BANK NEW YORK

Capital
\$5,000,000



Surplus and Profits
\$4,766,000

LEWIS L. CLARKE, President

EDWARD BURNS, Vice-President
A. K. de GUISCARD, Asst. Cashier
ARTHUR P. LEE, Asst. Cashier

WALTER H. BENNETT,
Vice-President and Cashier
E. A. BENNETT, Asst. Cashier

GEORGE C. HAIGH, Asst. Cashier

When you are forming a banking connection, we ask your consideration of our 74 years' reputation, experience and ability to render you personal and special service in all departments.

Depository of the United States, State of New York and City of New York

CHARTERED 1853

United States Trust Company of New York

45 and 47 WALL STREET

CAPITAL, - - - - - \$2,000,000.00

SURPLUS AND UNDIVIDED PROFITS \$13,910,317.80

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WM. M. KINGSLEY, Vice-President

WILFRED J. WORCESTER, Secretary

WILLIAMSON PELL, Asst. Secretary

CHARLES A. EDWARDS, 2d Asst. Secretary

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Alexander E. Orr.
William H. Macy, Jr.
William D. Sloane.
Gustav H. Schwab.
Frank Lyman.

James Stillman.
John Claflin.
John J. Phelps.
Lewis Cass Ledyard.
Lyman J. Gage.

Payne Whitney.
Edward W. Sheldon.
Chauncey Keep.
George L. Rives.
Arthur Curtiss James.

William M. Kingsley.
William Stewart Tod.
Ogden Mills.
Egerton L. Winthrop.
Cornelius N. Bliss, Jr.

Edmund & Charles Randolph

MEMBERS NEW YORK STOCK EXCHANGE

111 BROADWAY - - - NEW YORK

BOND AND OPEN MARKET SECURITIES DEPARTMENT

T. F. SHIELDS, Manager

We are prepared to make bids and offers on securities of all parts of the United States, Canada and Mexico

R. J. KIMBALL & CO.

Members New York Stock Exchange

Since 1869

W. EUGENE KIMBALL
LEEDS JOHNSON

5 NASSAU ST., NEW YORK

ORGANIZED IN 1889

The Washington Trust Co.

OF THE CITY OF NEW YORK



253 Broadway, corner Murray Street

**Capital, Surplus and Undivided
Profits, \$1,800,000**

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PHINEAS C. LOUNSBURY, Vice-President
MOSES S. LOTT, Vice-President
GEORGE W. TOERGE, Secretary
S. W. WHITSON, Asst. Secretary
T. T. STURGES Jr., Asst. Secretary

DIRECTORS

David M. Morrison, Chairman of Board

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David M. Morrison	George W. Jenkins	J. Louis Schaefer
Lucius K. Wilmerding	William Barbour	William A. Nash
Geo. Austin Morrison	John P. Munn	Walter E. Frew
Henry J. S. Hall	George Gray Ward	Roswell Eldridge
Clarence W. Seamans	Robert A. Drysdale	George E. Ide
Carl Schefer	William F. Whiting	Harry K. Knapp
William A. Putman	Brent Good	John J. Pulley
Charles M. Clark	Joseph C. Baldwin, Jr.	

INTEREST ALLOWED ON DEPOSITS

This Company is especially designated by the Supreme Court of the State of New York a legal depository for Court and Trust Funds. Acts as Executor, Administrator or Guardian, also as Registrar and Transfer Agent for Stocks and Bonds.

SAFE DEPOSIT VAULTS

Established 1870

W. N. COLER & COMPANY

BANKERS

43 CEDAR STREET

NEW YORK CITY

WE DEAL IN BONDS—FOR INVESTMENT

Buying and selling for our own account. Carrying at all times a select list of municipal and corporation bonds, we offer to officers of banks, administrators of estates, savings banks, insurance companies and individuals opportunity of selection according to their wants:

Municipal, Railway and Corporation Bonds

SEND FOR SPECIAL CIRCULARS

CORRESPONDENCE INVITED

Emerson McMillin & Co.

BANKERS

40 Wall Street

::

::

New York City



THE GOAL AND IRON NATIONAL BANK

OF THE CITY OF NEW YORK

Capital	- - - - -	\$1,000,000.00
Surplus and Profits (Earned)	- - - - -	507,340.01

JOHN T. SPROULL, President
DAVID TAYLOR, Vice-President ALLISON DODD, Vice-President
ADDISON H. DAY, Cashier H. J. DORGELOH, Asst. Cashier

Member New York Clearing House Association

New York County National Bank

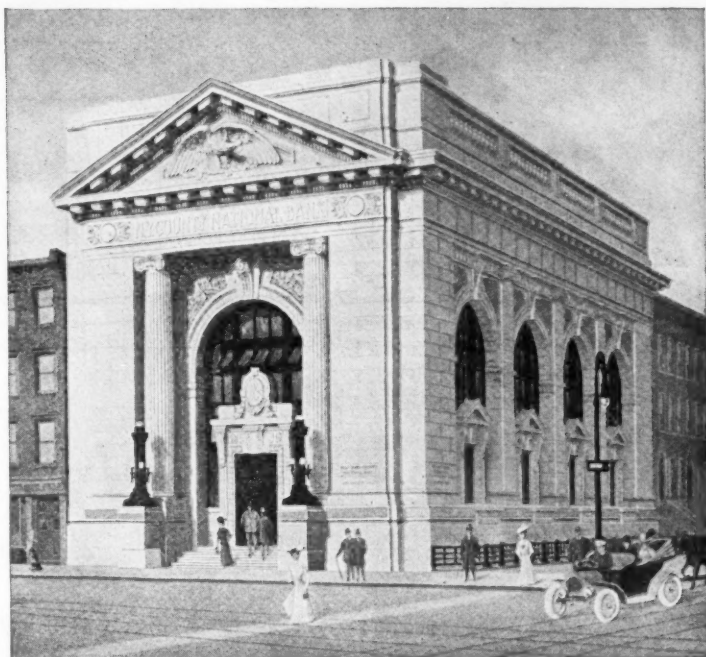
Corner 14th Street and 8th Avenue, New York City

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President
Christian F. Tietjen
Vice-President
James C. Brower
Vice-President
Thomas A. Painter
Cashier
Lawrence J. Grinnon
Asst. Cashier

DIRECTORS

WILLIAM CARPENDER
CHRISTIAN F. TIETJEN
FRANCIS L. LELAND
PEDRO R. DE FLOREZ
JESSE ISIDOR STRAUS
JAMES C. BROWER



NEW YORK COUNTY NATIONAL'S NEW HOME

Capital, \$500,000

Surplus and
Undivided Profits
\$2,000,000

Organized as a State
Bank, 1855

Entered the National
Bank System 1865

Safe Deposit Vaults

Accounts of Banks, Bankers, Firms, Corporations and Individuals,
Both Large and Small, Invited on Favorable Terms

National, New York State and City Depository

INCORPORATED 1883

The Long Island Loan and Trust Company

"Temple Bar," Brooklyn, New York

Capital, Surplus and Profits, \$3,000,000

OFFICERS

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CLINTON L. ROSSITER . . . Vice-President JOHN H. EMANUEL, Jr. . . . Vice-President
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Surplus
and
Profits
\$1,800,000

Accounts
Received on
the
Most Liberal
Terms
consistent
with Sound
Banking

ORGANIZED 1859

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Deposits
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Organized 1903

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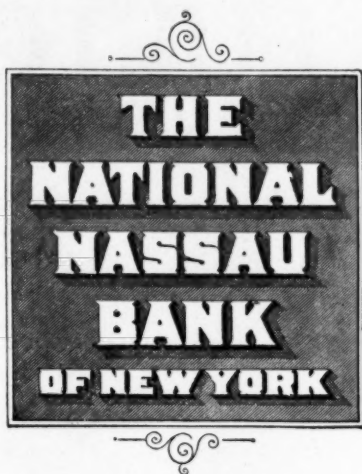
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Nationalized 1911

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New York Cotton Exchange
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DETROIT, MICH.

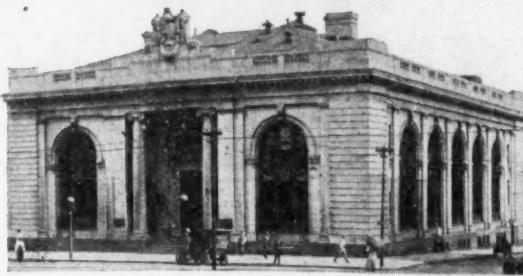
CAPITAL AND SURPLUS

\$3,000,000

DEPOSITS

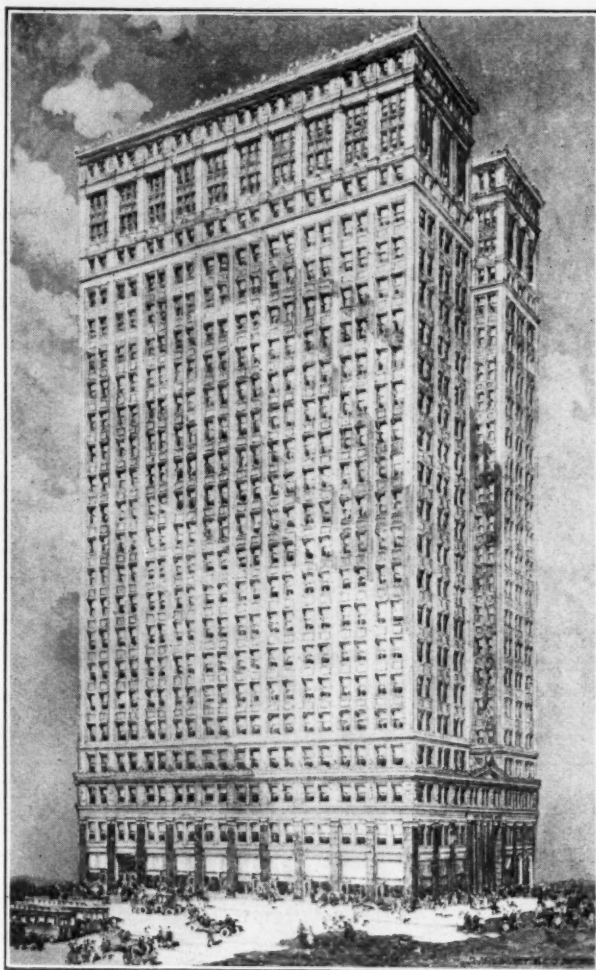
36,000,000

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Accounts of Banks, Bankers and Trust Companies Received on Favorable Terms



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Dime Savings Bank

Detroit, Mich.

Capital - - - \$1,000,000

Surplus and Profits over \$700,000

Deposits over - - - \$12,000,000

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F. F. TILLOTSON } Asst. Cashiers { D. S. CARNEGIE
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Cordially and sincerely,

THE DIRECTORS AND
OFFICERS OF THE
UNION TRUST COM-
PANY, OF DETROIT.

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EMORY W. CLARK, Vice-President
LEM W. BOWEN, Vice-President

CHARLES O. PATCH, Vice-President
CHARLES MOORE, Secretary and Treasurer
ALBERT E. GREEN, Assistant Secretary

GRAY & GRAY, Counsel

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FIRST SAVINGS & TRUST COMPANY

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Resources, \$9,000,000

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GRAND RAPIDS, MICH.

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<i>Surplus</i>	-	-	-	-	<i>500,000</i>

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Continental and Commercial Trust and Savings Bank

Capital, \$3,000,000

Undivided Profits, \$1,500,000

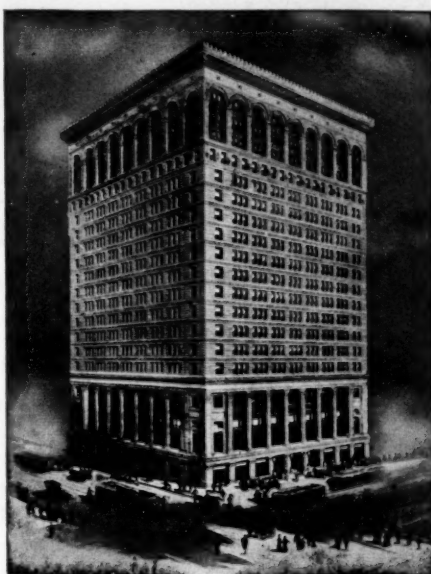
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Fort Dearborn Trust and Savings Bank

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Surplus and Profits	-	-	-	600,000
Deposits	-	-	-	31,000,000

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 WM. W. LeGROS, Asst. Cashier
 HARRY LAWTON, Mgr. Foreign Dept.

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February 14, 1908	-	-	-	-	\$ 9,887,954.84
February 5, 1909	-	-	-	-	11,617,691.24
March 29, 1910	-	-	-	-	15,041,357.21
March 7, 1911	-	-	-	-	21,574,956.79
June 7, 1911	-	-	-	-	23,137,746.88
September 1, 1911	-	-	-	-	24,500,075.82
December 5, 1911	-	-	-	-	25,445,199.89
February 20, 1912	-	-	-	-	26,207,446.32
April 18, 1912	-	-	-	-	27,287,752.30
June 14, 1912	-	-	-	-	28,433,836.35
September 4, 1912	-	-	-	-	31,041,482.12

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 Deposits made on or before the tenth of each month bear interest from the first.

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Deposits	-	-	-	-	-	25,000,000.00

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NEW YORK
CHICAGO

BOSTON
ST. LOUIS

PHILADELPHIA
SAN FRANCISCO

GREENEBAUM SONS BANK AND TRUST COMPANY

Corner Clark and Randolph Streets

CHICAGO

CAPITAL AND SURPLUS - \$1,650,000

5½% BONDS CHICAGO FIRST MORTGAGE

Legal Investment for Banks

Suitable for Estates, Trustees, Investors, &c.

Write for Bond Circulars

Interest allowed on time deposits

Accounts Invited

Foreign Exchange

Letters of Credit

General Domestic and Foreign Banking

The Audit Company of Illinois

2002-2003 Harris Trust Building
CHICAGO

Specialists in

Auditing and Systematizing
Public Service Corporations

C. W. KNISELY, C. P. A.

President—Manager

REFERENCES:

Leading Bond Houses dealing in Gas, Electric
and Railway Securities

We own and offer:

SHORT TIME SERIAL 6% BONDS

Secured by TAXES ALREADY LEVIED

\$200,000 Collateral Trust 6% Gold Bonds

Issued by EUREKA CONSTRUCTION COMPANY, of Tulsa, Oklahoma, (paid in Capital \$100,000). Further secured by a deposit with the Illinois Trust and Savings Bank, Chicago, Trustee, of \$220,000 7% Tax Bills of City of Tulsa (population 25,000), covering some of the choicest residence property in that city. Due serially from one to eight years. Interest payable (January 1st and July 1st) at Illinois Trust and Savings Bank, Chicago. Denominations \$1,000, \$500, \$100. The ASSESSED VALUE of the property on which said Tax Bills constitute a TAX LIEN is over \$3,000,000.

Price, Par and Interest

\$100,000 Lincoln County, Okla., Drainage District No. 1, 6% Bonds

Issued by County Commissioners on behalf of DEEP FORK DRAINAGE DISTRICT No. 1 containing 35,000 acres of very fertile land in the heart of the County. Four Railroads, 8 Cities and Towns, 25 School Districts and 8,000 to 10,000 population contained in the District. Producing heavy crops of Alfalfa, Corn, Cotton, Wheat, etc. No waste land. Total issue \$440,000. Deliverable in installments during progress of the work.

Bonds represent only about 60% of taxes levied. Denomination \$1,000. Bonds now offered due \$10,000 annually 1915 to 1924. Interest semi-annually January and July in New York.

Price, Par and Interest

Correspondence solicited

THE HANCHETT BOND CO.

MUNICIPAL BONDS
New York Life Building, CHICAGO

SOUTHWEST NATIONAL BANK OF COMMERCE

KANSAS CITY, MO.

is conducted with the constant aim to adopt every legitimate means and proven aid for the better service and satisfaction of its customers. Its extensive facilities are such as will meet fully your requirements and your business is invited.

Capital and Surplus, \$3,600,000.00

Resources, \$35,000,000.00

F. P. NEAL, Chairman of Board
J. W. PERRY, President
JOHN M. MOORE, Vice-President
W. L. BUECHLE, Vice-President
EDWIN W. ZEA, Vice-President
CHAS. H. MOORE, Vice-President
JAS. T. BRADLEY, Cashier
E. P. DAVIS, Assistant Cashier
CHAS. M. VINING, Assistant Cashier
W. H. GLASKIN, Assistant Cashier
JAS. F. MEADE, Assistant Cashier

MUNICIPAL BONDS

Yielding 4% to 5½%



Commerce Building

We specialize in high grade Municipal Securities of the Middle West.

Descriptive offerings on request.

BOND DEPARTMENT
C. E. KEPLINGER, Manager
COMMERCE TRUST COMPANY
KANSAS CITY, MO.

Resources, \$11,250,000

TAX EXEMPT and Postal Savings

Southern
Southwestern
Western and
Northwestern

**Municipal
Bonds**

SUTHERLIN AND COMPANY

Commerce Bldg.

Kansas City, Mo.

Correspondence Invited

D. Arthur Bowman

Herbert Walton Cost

D. ARTHUR BOWMAN & COMPANY

Investment Bankers

Third National Bank Building

SAINT LOUIS, MISSOURI

This Business is limited strictly to the Underwriting and Distribution of the choicest Municipal Tax-Protected and Corporation Bonds for the safest purposes of Investing Clients. Our Lists contain unusual investment opportunities from time to time. May we add your name to those already receiving them?

National
Bank of Commerce
In St. Louis

Capital and Surplus
\$12,000,000

In estimating the safety of a Bank, it is always well to remember that the Capital and Surplus, in other words, the Bank's own money, is that which gives security to the depositors. In view of the financial disturbances through which the country has passed, security is the feature which should merit the first consideration. The large Capital and Surplus of this Bank forms a fund that insures absolute security to those who entrust their money to us.



OFFICERS :

B. F. EDWARDS, President
TOM RANDOLPH, Vice-President

W. B. COWEN, Vice-President
W. L. McDONALD, Vice-President

J. A. LEWIS, Cashier

Bankers, Trustees and Investors

will find it highly advantageous to consult us regarding Bonds to meet any requirement. On request we will send details of new issues and our Magazine,

“FACTS AND FACTORS”

A. G. EDWARDS & SONS

410 Olive Street, St. Louis, Mo.

1 Wall Street, New York

CAPITAL, \$2,000,000.00

SURPLUS, \$2,000,000.00

DEPOSITS, \$35,000,000.00



OFFICERS

C. H. HUTTIG, President
F. O. WATTS, Vice-President
T. WRIGHT, Vice-President
R. S. HAWES, Vice-President

J. R. COOKE, Cashier
D'A. P. COOKE, Assistant Cashier
H. HALL, Assistant Cashier
E. C. STUART, Assistant Cashier

As Its Service Became Known Its Business has Grown

William R. Compton Company

111 West Monroe Street
CHICAGO

33 Wall Street
NEW YORK

Merchants-Laclede Building
ST. LOUIS

ESTABLISHED IN 1889

MUNICIPAL AND CORPORATION BONDS

We own a carefully selected list of over thirty issues of high class City, School and other Tax Bonds

Special attention paid to
BANK BUSINESS

List of Investments sent
on application

FIRST NATIONAL BANK

Minneapolis, Minn.



CAPITAL \$2,000,000 TOTAL ASSETS \$30,000,000 SURPLUS \$2,450,000

F. M. PRINCE, President
C. T. JAFFRAY, Vice-President
A. A. CRANE, Vice-President
GEO. F. ORDE, Vice-President

D. MACKERCHAR, Vice-President
H. A. WILLOUGHBY, Cashier
G. A. LYON, Assistant Cashier
P. J. LEEMAN, Assistant Cashier

WE SOLICIT YOUR COLLECTIONS ON NORTHWESTERN STATES

Minneapolis Trust Company

MINNEAPOLIS, MINN.

Capital \$1,000,000

Surplus \$100,000

TRANSACTS A GENERAL TRUST COMPANY BUSINESS

Bond and Mortgage Department

Dealers in Municipal, Railroad and Public Service Corporation Bonds. High-grade Western Bonds, netting Investor 6 per cent., our specialty. Also choice First Mortgage Farm Loans to net Investor 5 to 6 per cent.

CORRESPONDENCE INVITED

ELBRIDGE C. COOKE, Pres.

C. T. JAFFRAY, Vice-Pres.

ROBERT W. WEBB, Secretary and Treasurer.

JAMES S. BELL, Vice-Pres.

WM. G. NORTHUP, Vice-Pres.

BENJAMIN WEBB Asst. Sec'y and Treas.

J. L. ROOT, Manager Bond Department
E. J. GRIMES, Manager Farm Loan Department

WILLIAM W. EASTMAN BONDS

MUNICIPAL—RAILROAD—CORPORATION

LOCAL STOCKS

Member Minneapolis Stock Exchange

McKnight Building,

Minneapolis, Minn.

New York Correspondents
POTTER, CHOATE & PRENTICE
Members New York Stock Exchange
BANKERS



THE NORTHWESTERN NATIONAL BANK OF MINNEAPOLIS, MINN.

is organized and equipped to give to its customers and correspondents the best banking service obtainable.
Being the largest bank in its territory the Northwestern is able to offer, through its many connections, unexcelled facilities, while its office organization is designed to give to every patron's affairs the individual care and attention which they may require.

Capital and Surplus - - - - - \$5,000,000

Affiliated with The Minnesota Loan and Trust Company

F. E. MAGRAW

ST. PAUL, MINN.

GOVERNMENT
MUNICIPAL

BONDS

RAILROAD
CORPORATION

COMMERCIAL PAPER

CORRESPONDENCE INVITED



THE Omaha National Bank OMAHA, NEB.

Capital	-	-	-	\$1,000,000
Surplus and Profits	-	-	-	780,000
Resources	-	-	-	16,000,000

J. H. MILLARD, President
WM. WALLACE, Vice-President
W. H. BUCHOLZ, Vice-President
WARD M. BURGESS, Vice-President

J. DeF. RICHARDS, Cashier
FRANK BOYD, Assistant Cashier
B. A. WILCOX, Assistant Cashier
EZRA MILLARD, Assistant Cashier

Special Collection Facilities for Nebraska and the Northwest

THE FIRST NATIONAL BANK OF DENVER

Oldest National Bank in Colorado

UNITED STATES DEPOSITARY



CAPITAL
\$1,250,000



SURPLUS
\$1,250,000



DEPOSITS
\$21,000,000

OFFICERS

A. V. HUNTER, President	C. S. HAUGHWOUT, Cashier
THOMAS KEELY, Vice-President	J. C. HOUSTON, Assistant Cashier
F. G. MOFFAT, Vice-President	F. J. DENISON, Assistant Cashier
GERALD HUGHES, Vice-President	D. R. PLATT, Assistant Cashier
M. D. THATCHER, Vice-President	C. C. HENDRIE, Assistant Cashier
H. J. ALEXANDER, Vice-President	

G. M. HAUKE, Auditor

DIRECTORS

A. V. HUNTER, Chairman of the Board		
H. J. ALEXANDER	J. A. HAYES	W. P. McPHEE
W. N. W. BLAYNEY	CRAWFORD HILL	F. G. MOFFAT
E. B. FIELD	J. C. HOUSTON	J. W. MOREY
J. C. GUNTER	GERALD HUGHES	J. K. MULLEN
C. S. HAUGHWOUT	THOS. KEELY	M. D. THATCHER
CHARLES HAYDEN	C. M. MacNEILL	

Accounts of Banks and Bankers Received on Favorable Terms
SPECIAL COLLECTION FACILITIES



The International Trust Co.

Denver, Colorado

Capital and Surplus, \$1,000,000

Resources over - - 7,950,000

H. M. BLACKMER, President

THEO. G. SMITH, Vice-President F. G. MOFFAT, Vice-President
P. E. CLELAND, Treasurer H. H. BROOKS, Secretary

Transact a General Trust Company Business

BOND DEPARTMENT

McCORNICK & CO. BANKERS

ESTABLISHED 1873

INCORPORATED 1910

SALT LAKE CITY, UTAH

CAPITAL, - - - - - \$600,000
SURPLUS AND UNDIVIDED PROFITS, \$250,000
DEPOSITS - - - - - \$7,500,000

LARGEST BANK BETWEEN DENVER AND THE PACIFIC COAST

UNEXCELLED FACILITIES FOR HANDLING COLLECTIONS THROUGHOUT THE ROCKY MOUNTAIN REGION

W. S. McCORNICK, President

D. C. JACKLING, Vice-President

S. A. WHITNEY, Cashier

L. B. McCORNICK, Vice-President

R. L. CONELY, Asst. Cashier

AFFILIATED BANKS

UTAH SAVINGS & TRUST CO.
SALT LAKE CITY

TWIN FALLS BANK & TRUST CO.
TWIN FALLS, IDAHO

McCORNICK & CO.
EUREKA, UTAH

Boettcher, Porter & Company Denver

MUNICIPAL AND CORPORATION BONDS
INVESTMENT SECURITIES



FIRST NATIONAL BANK OF LOS ANGELES

Capital - \$1,500,000

Surplus and Undivided Profits
\$2,436,000

Deposits over \$18,000,000

OFFICERS

J. M. ELLIOTT	President		
STODDARD JESSI	Vice-President	JOHN P. BURKE	Vice-President
W. C. PATTERSON	Vice-President	JOHN S. CRAVENS	Vice-President
W. T. S. HAMMOND	Cashier		
E. S. PAULY	Assistant Cashier	E. W. COE	Assistant Cashier
A. C. WAY	Assistant Cashier	A. B. JONES	Assistant Cashier
W. C. BRYAN	Assistant to the Cashier		

Los Angeles Trust and Savings Bank

(Owned by the Stockholders of the First National Bank)



Capital and Reserve
over \$2,600,000

Deposits
over \$17,000,000

OFFICERS

J. C. DRAKE	President
MOTLEY H. FLINT	Vice-President
H. W. O'MELVENY	Vice-President
W. RHODES HERVEY	Vice-President
JAY SPENCE	Cashier
LEO S. CHANDLER	Trust Officer

The Citizens National Bank

OF LOS ANGELES

Capital, \$1,500,000

Surplus, \$700,000

Deposits, \$10,750,000

Ample resources to assure consistent service for all commercial accounts

No service this bank can render will be regarded as unimportant

OFFICERS

A. J. WATERS, President
J. ROSS CLARK, Vice-President
M. J. MONNETTE, Vice-President

WM. W. WOODS, Vice-President
R. W. KENNY, Vice-President
E. T. PETTIGREW, Cashier

GEORGE E. F. DUFFET, Ass't Cashier
H. D. IVEY, Ass't Cashier
GEORGE BUGBEE, Ass't Cashier

California Securities

The Pacific Coast offers to the conservative investor ample security and liberal interest return.

Our twenty years of experience as a house specializing in California bonds permits us to offer a select list of Municipal, Railway and Corporation Bonds netting higher returns than Eastern securities of equal strength.

You are cordially invited to let us serve you.

TORRANCE, MARSHALL & COMPANY

111 West Fourth Street
Los Angeles

300 Sansome Street
San Francisco

Pacific Coast

business is steadily growing in volume and importance, and the natural clearance center of commercial transactions is

San Francisco

This bank has direct connections in every important city or town of the Pacific Coast region, and is equipped for prompt and painstaking service. Conference or correspondence is invited, with banks requiring such service.

American National Bank

Our monthly Financial Letter will be mailed free to anyone, upon request.



ANGLO & LONDON PARIS NATIONAL BANK SAN FRANCISCO

Paid up Capital	-	-	-	\$4,000,000
Surplus and Profits	-	-	-	1,700,000
TOTAL RESOURCES	-	-	-	40,000,000

OFFICERS

HERBERT FLEISHACKER, President	C. F. HUNT, Vice-President
WASHINGTON DODGE, Vice-President	R. ALTSCHUL, Cashier
J. FRIEDLANDER, Vice-President	

WM. R. STAATS CO.

Municipal, School, Railroad
Public Service Corporation

BONDS

And First Mortgage Bonds of Corporations owning extensive income producing assets in California, including Farm and Timber Lands.

ALSO EXECUTE COMMISSION ORDERS IN

LISTED SECURITIES

LOS ANGELES
105-107 West Fourth St.

SAN FRANCISCO
405 Montgomery St.

PASADENA
65 South Raymond Ave.

LYBRAND, ROSS BROS. & MONTGOMERY CERTIFIED PUBLIC ACCOUNTANTS

NEW YORK
55 Liberty Street

LONDON
58 Coleman St., E. C.

PHILADELPHIA
Morris Bldg.

CHICAGO
First National Bank Building

PITTSBURGH
Union Bank Building

SAN FRANCISCO
Kohl Bldg.

SEATTLE
Central Bldg.

The
United States National Bank
of Portland, Oregon

Offers to the Banks of the United States a collection service of exceptional merit. Having the largest list of direct connections in the Pacific Northwest it is enabled to handle collections and cash items promptly and efficiently.

If it is drawn on any city in the Pacific Northwest send it to The United States National. Make a note of this and pin it in your collection cage.

CAPITAL, \$1,000,000.00

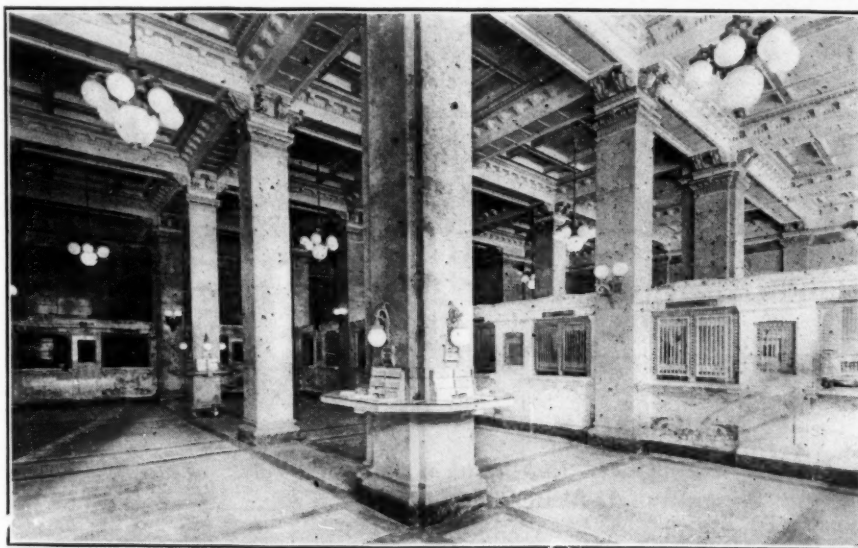
Surplus and Undivided Profits over \$1,000,000.00

OFFICERS

J. C. AINSWORTH, President
R. W. SCHMEER, Cashier

R. LEA BARNES, Vice-President
A. M. WRIGHT, Assistant Cashier
W. A. HOLT, Assistant Cashier

LADD & TILTON BANK
PORTLAND, ORE.



ESTABLISHED 1859

—
Capital

\$1,000,000

Surplus and Profits

\$1,023,000

THIS BANK HAS HAD AN UNBROKEN HISTORY OF OVER FIFTY YEARS OF
SUCCESSFUL BUSINESS IN PORTLAND

CAREFUL ATTENTION GIVEN TO COLLECTIONS

OFFICERS

W. M. LADD, President
R. S. HOWARD, Jr., Ass't Cashier

EDWARD COOKINGHAM, V-President
J. W. LADD, Ass't Cashier

W. H. DUNCKLEY, Cashier
WALTER M. COOK, Ass't Cashier

Whitney-Central National Bank

NEW ORLEANS

Capital and Surplus - - - \$4,000,000



Depository of the
United States Government

State of Louisiana and
City of New Orleans



Foreign Exchange Bought
and Sold

Acts as Reserve Agent for
Southern Banks



OFFICERS

CHARLES GODCHAUX,	President	JNO. B. FERGUSON,	Cashier
SOL WEXLER,	Vice-President	E. H. KEEP,	Assistant Cashier
JOHN E. BOUDEN, Jr.,	Vice-President	MAURITZ PYK,	Assistant Cashier
FRANK B. WILLIAMS,	Vice-President	N. E. BERTEL,	Assistant Cashier
CHARLES M. WHITNEY,	Vice-President	N. M. WHITNEY,	Assistant Cashier
HARRY T. HOWARD,	Vice-President	CHARLES T. BAISLEY,	Manager Foreign Exchange Dept.

Whitney-Central Trust & Savings Bank

Trust Department Bond Department General Savings Bank Business

Capital and Surplus, \$250,000

OFFICERS

	CHARLES GODCHAUX, President	
SOL WEXLER,	Vice-President	ALBERT BLOOM, Vice-President
JOHN E. BOUDEN, Jr.,	Vice-President	W. W. BOUDEN, Cashier
HARRY T. HOWARD,	Vice-President	JNO. L. COURTURIER, Assistant Cashier

Deposits Sept. 4th, 1912:

Whitney-Central National Bank	- - -	\$16,390,677.95
Whitney-Central Trust & Savings Bank	- - -	4,441,216.45
Total Deposits	- - -	\$20,831,894.40



ORGANIZED 1866.

THE FIRST NATIONAL BANK OF HOUSTON, TEXAS

CAPITAL, \$2,000,000

SURPLUS, \$300,000

O. L. COCHRAN, President.

J. T. SCOTT, 1st Vice-President.

H. R. ELDRIDGE, 2nd Vice-President.

W. S. COCHRAN, Cashier.

W. E. HERTFORD, Asst. Cashier.

F. E. RUSSELL, Asst. Cashier.

G. G. TIMMINS, Asst. Cashier.

J. L. RUSSELL, Asst. Cashier.

WE INVITE CORRESPONDENCE OF BANKS AND BANKERS DESIRING
UNEXCELLED FACILITIES FOR HANDLING COLLECTIONS ON THE
STATE OF TEXAS.

ESTABLISHED MAY 1, 1907

The Lumberman's National Bank Houston, Texas

CAPITAL AND SURPLUS - - - \$500,000.00

Invites correspondence with banks and bankers who desire a dependable and
economical collection service for their Texas items.

Reserve accounts of both State and National Banks invited.

S. F. CARTER, President.

H. M. GARWOOD, Vice-Pres.

GUY M. BRYAN, Active Vice-Pres.

LYNN P. TALLEY, Cashier.

J. P. CARTER, Vice-Pres.

M. S. MURRAY, Assistant Cashier.

WM. D. CLEVELAND, Jr., Vice-Pres.

H. M. WILKINS, Assistant Cashier.



THE UNION NATIONAL BANK HOUSTON, TEXAS

CAPITAL - - - \$1,000,000.00

DEPOSITS OVER - - - \$8,000,000.00

With our splendid facilities we are equipped to give unusually good
service in the handling of Texas collections. Write us for rates

J. S. RICE, President

T. C. DUNN, Vice-President
OSCAR WELLS, Vice-President
JESSE H. JONES, Vice-President
A. M. LEVY, Vice-President
C. G. PILLOT, Vice-President

J. M. ROCKWELL, Vice-President
GEO. HAMMAN, Vice-President
DeWITT C. DUNN, Cashier
D. W. COOLEY, Ass't. Cashier
H. B. FINCH, Ass't. Cashier

Isidore Newman & Son BANKERS AND BROKERS

Established 1868

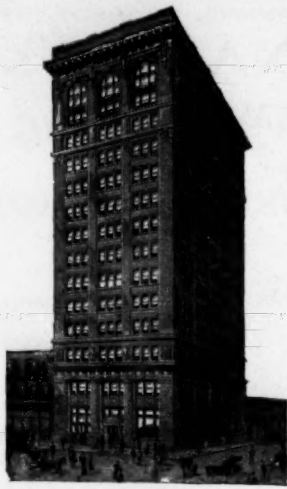
BONDS OF ESTABLISHED STREET RAILWAY, AND
ELECTRIC LIGHTING CORPORATIONS

CIRCULARS ON APPLICATION

Southern Securities a Specialty

212 CARONDELET STREET

NEW ORLEANS



HAMILTON NATIONAL BANK

CHATTANOOGA, TENN.

Capital	- - - -	\$1,000,000.00
Surplus and Profits	- - -	475,000.00
Total Resources	- - -	6,500,000.00

Both in Capital and Surplus this is the largest bank in East Tennessee, and only two other National Banks in Tennessee have a Capital equal to ours. Our Collection facilities are unsurpassed. We reach direct more than 80 per cent. of the banking points in the State.

T. R. PRESTON, President.
H. T. OLMSTED, Vice-President.
G. H. MILLER, Vice-President.

C. M. PRESTON, Cashier.
D. S. HENDERSON, Assistant Cashier.
S. A. STRAUSS, Assistant Cashier.

J. C. BUSH, JR., Vice-Prest.

J. W. LITTLE, President
B. W. PADGETT, Cashier

A. J. WILDMAN, Asst. Cashier

PEOPLES BANK

MOBILE

CAPITAL, \$150,000

SURPLUS AND PROFITS, \$650,000

Largest percentage of surplus and profits
to capital of any bank in Alabama

We solicit accounts of Banks, Bankers, Firms, Corporations and Individuals on banking principles, assuring them prompt and courteous treatment, and every facility consistent with prudent and conservative banking methods

ESTABLISHED 1874

THE FORT WORTH NATIONAL BANK

FORT WORTH, TEXAS



Capital
\$500,000

(\$200,000 earned)

Surplus
and Profits
\$835,000

(All earned)

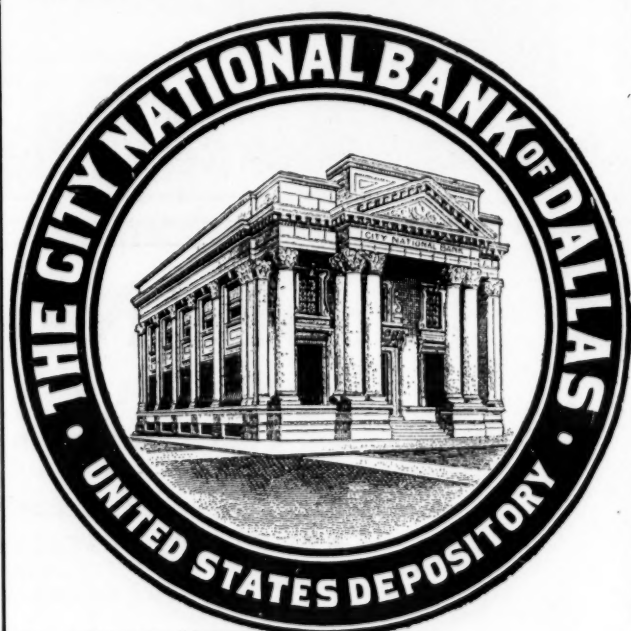
K. M. VAN ZANDT, President
N. HARDING, Vice-President
R. L. ELLISON, Vice-President
ELMO SLEDD, Cashier
R. E. HARDING, Asst. Cashier
E. B. VAN ZANDT, Asst. Cashier
W. M. MASSIE, Asst. Cashier

We cordially invite the correspondence of Banks and Bankers desiring efficient and satisfactory service in this territory

FOUNDED 1873

CAPITAL AND SURPLUS Two Million Dollars

With its large number of **Direct Connections** and a modern and well equipped Transit Department, this bank is thoroughly prepared to handle **Texas collections**.



J. B. WILSON, Chairman of the Board
E. O. TENISON, President
R. H. STEWART, Vice-Pres. J. H. ARDREY, Cashier
C. R. BUDDY, Vice-Pres. H. P. MAY, Ass't Cashr.



DEPOSITORY OF THE UNITED STATES
AND STATE OF ALABAMA

FIRST NATIONAL BANK

BIRMINGHAM, ALA.

Capital \$1,500,000

Surplus \$1,500,000

Resources \$15,000,000

W. P. G. HARDING, President
J. H. WOODWARD, Vice-President
THOMAS HOPKINS, Cashier
THOMAS BOWRON, Ass't Cashier

J. H. BARR, Vice-President
F. S. FOSTER, Ass't Cashier
J. K. FLEMING, Ass't Cashier

COLLECTIONS RECEIVE CAREFUL ATTENTION
SEND US YOUR ALABAMA ITEMS



OUR NEW 20 STORY BUILDING

American Trust & Savings Bank

BIRMINGHAM, ALA.

Capital - \$500,000

Surplus - 250,000

Deposits - 4,250,000

W. W. CRAWFORD, President
H. L. BADHAM, Vice-President
C. M. WILLIAMSON, Cashier
E. B. CRAWFORD, Ass't Cashier
W. C. HAMILTON, Ass't Cashier
G. B. McCORMACK, Chairman of Board

Correspondence of Banks, Bankers and Trust Companies
desiring efficient and satisfactory service invited.



BIRMINGHAM TRUST & SAVINGS CO.

BIRMINGHAM, ALABAMA

Organized in 1887.

Capital \$500,000

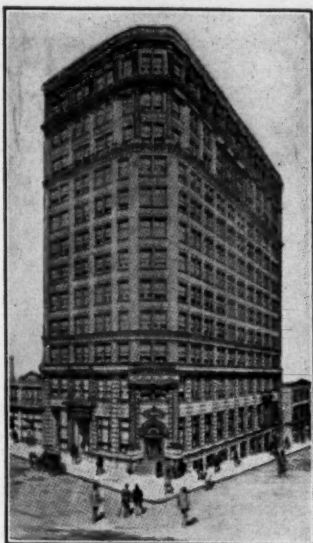
Surplus (Earned) \$500,000

ARTHUR W. SMITH, President
TOM O. SMITH, Vice-President
W. H. MANLY, Cashier

BENSON CAIN, Ass't Cashier
C. D. COTTEN, Ass't Cashier
E. W. FINCH, Ass't Cashier

Steady adherence to conservative banking is
coupled with prompt attention to all business.

ALABAMA COLLECTION ACCOUNTS SOLICITED.



ATLANTA'S LEADING BANKING INSTITUTION

Atlanta National Bank

ATLANTA, GA.

UNITED STATES DEPOSITARY

CAPITAL \$1,000,000
SURPLUS AND PROFITS 1,200,000

CHAS. E. CURRIER, President.
F. E. BLOCK, Vice-President.
JAMES S. FLOYD, 2nd Vice-President.

GEO. R. DONOVAN, Cashier.
J. S. KENNEDY, Assistant Cashier.
J. D. LEITNER, Assistant Cashier.

Accounts of banks, merchants, corporations and individuals solicited.
Every accommodation given which responsibility and balances warrant.
Correspondence Invited.

Fourth National Bank

ATLANTA, GEORGIA



Capital - - - - - \$600,000.00
Surplus - - - - - 875,000.00

A Good, Strong Bank that will take adequate care of all business entrusted to it

OFFICERS

JAMES W. ENGLISH, President.
JOHN K. OTTLEY, Vice-President. CHARLES I. RYAN, Cashier.
WILLIAM T. PERKERSON, Asst. Cashier.

WE INVITE CORRESPONDENCE

ESTABLISHED 1861

THE LOWRY NATIONAL BANK

OF ATLANTA, GA.

Designated Depositary of the United States, City of Atlanta and County of Fulton

Capital - - - - - \$1,000,000
Surplus - - - - - 1,000,000
Total Resources, over - - - - - 8,400,000

Our long connection with the general business of this section gives us unsurpassed facilities for taking care of your business

CORRESPONDENCE SOLICITED



Hillyer Building

ATLANTA TRUST CO.

ATLANTA

Capital - - - - - \$500,000
Surplus and Profits - - - - - 100,000
\$600,000

HENRY HILLYER
GEO. S. LOWNDES
WM. HURD HILLYER
J. SCOTT TODD, Jr.
T. C. TRIPPE

President
Vice President
Vice President and Treasurer
Secretary
Trust Officer

A General Trust and Savings Business

Union National Bank

UNITED STATES DEPOSITORY

WE INVITE THE
BUSINESS OF
BANKS AND BANK-
ERS DESIRING
EFFICIENT AND
SATISFACTORY
SERVICE

Louisville, Ky.

J. D. STEWART, President
W. P. OTTER, Vice-President
F. M. GETTYS, Cashier
J. H. MERSHON, Asst. Cashier
W. R. COBB, Mgr. Dept. of Correspondents

SPECIAL
ATTENTION TO
THE COLLECTION
OF B/L DRAFTS
WE REMIT ON DAY
OF PAYMENT

Capital, \$500,000

Surplus and Profits, \$500,000



THE AMERICAN NATIONAL BANK of LOUISVILLE, KY.

Capital \$800,000

Surplus \$275,000

United States Depositary

LOGAN C. MURRAY, Pres't
R. F. WARFIELD, Cashier

CHAS. C. CARTER, Ass't Cashier
F. L. MOSELEY, Ass't Cashier

We are at your service as reserve agent for banks and
bankers, and have excellent facilities to handle
collections on all parts of the country.



SOUTHERN NATIONAL BANK LOUISVILLE, KY.

Capital . . . \$500,000.00

OFFICERS

ALBERT S. RICE, President
L. B. ROBERTSON, Active V. P. W. J. THOMAS, V. P.
H. THIEMANN, Cashier F. N. LEWIS, V. P.

Acts as Reserve Agent. Has excellent par facilities. Prompt, intelligent
and economical service in handling collections, drafts, etc. Invites cor-
respondence from banks looking toward opening accounts.

Send your business to a

LIVE, GROWING, CONSERVATIVE BANK



Fidelity and Columbia Trust Company

Capital, \$2,000,000

Surplus, \$500,000

Our long experience, large resources and wide con-
nections enable us to be of special service in hand-
ling trust business for individuals and corporations.

Fourth and Main Sts.

Louisville, Ky.

Occupying the Company's own building.

RIGGS NATIONAL BANK

Pennsylvania Avenue—WASHINGTON, D. C.—Opp. U. S. Treasury

CAPITAL \$1,000,000

SURPLUS \$2,000,000

Excellent Facilities for Handling Accounts of Banks and Bankers

Correspondence Invited

OFFICERS

CHARLES C. GLOVER, President

WM. J. FLATHER, Vice-President

M. E. AILES, Vice-President

H. H. FLATHER, Cashier

JOSHUA EVANS, JR., Asst. Cashier

National Bank of Commerce NORFOLK, VA.



CAPITAL
\$1,000,000

SURPLUS
\$800,000

WE INVITE
YOUR
ACCOUNT

NATHANIEL BEAMAN, President
TAZEWELL TAYLOR, Vice-President
HUGH M. KERR, Cashier
M. C. FEREBEE, Assistant Cashier
R. S. COHOON, Assistant Cashier

MARKED FEATURES

Promptness, Courtesy, Safety and Reliability

THE NORFOLK NATIONAL BANK

NORFOLK, VA.

U. S. DEPOSITARY

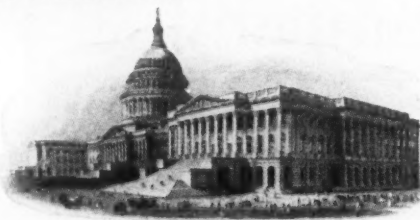


Capital \$1,000,000
Surplus and Undivided Profits 780,000

CALDWELL HARDY, President
E. T. LAMB, Vice-President
A. B. SCHWARZKOPF, Vice-President
W. A. GODWIN, Cashier

Accounts of Banks and Bankers Received on Most Favorable Terms

TREASURY
DEPARTMENT
SERVICE
AT WASHINGTON



LET US SERVE YOU

IT COVERS:

1. Witnessing the Destruction of Mutilated National Bank Notes.
2. Examining Bonds Deposited with the Treasurer of the United States to Secure Circulation and Government Deposits.
3. Forwarding Incomplete National Bank Notes by Registered Mail Insured.
4. Telegraphing Advice of Comptroller's Calls.
5. Making Deposits Account of 5 per cent. Fund. Transfer of Funds. Circulation Tax.

THE COMMERCIAL NATIONAL BANK OF WASHINGTON

A. G. CLAPHAM, President. T. K. SANDS, Vice-President. JOHN POOLE, Cashier.

FIRST NATIONAL BANK

of Richmond, Virginia

Capital \$2,000,000 . . . Surplus \$1,000,000

Resources \$20,000,000

The largest bank between Philadelphia
and New Orleans. Correspondence invited

W. M. HABLSTON, Chairman of the Board
JNO. B. PURCELL, President JNO. M. MILLER, Jr. Vice-President
W. M. ADDISON, Cashier

John L. Williams & Sons

BANKERS

Cor. 9th and Main Streets, - - Richmond, Va.

Cable Address: Williamson Richmond

FRED WM. SCOTT

BLAIR B. STRINGFELLOW

Scott & Stringfellow

BANKERS AND BROKERS

Richmond, Va.

Members New York Stock Exchange
" " " Cotton Exchange

Local and General Investment Securities

From time to time we make special studies of railroad
and industrial properties for the benefit of our clients

J. SAWYER WILSON, Jr.

ARTHUR L. JONES

HORATIO L. WHITRIDGE

J. S. Wilson, Jr. & Co.

Members New York Stock Exchange

Main Floor

Calvert Building

Baltimore, Md.

Cable Address: "Wiljrco"

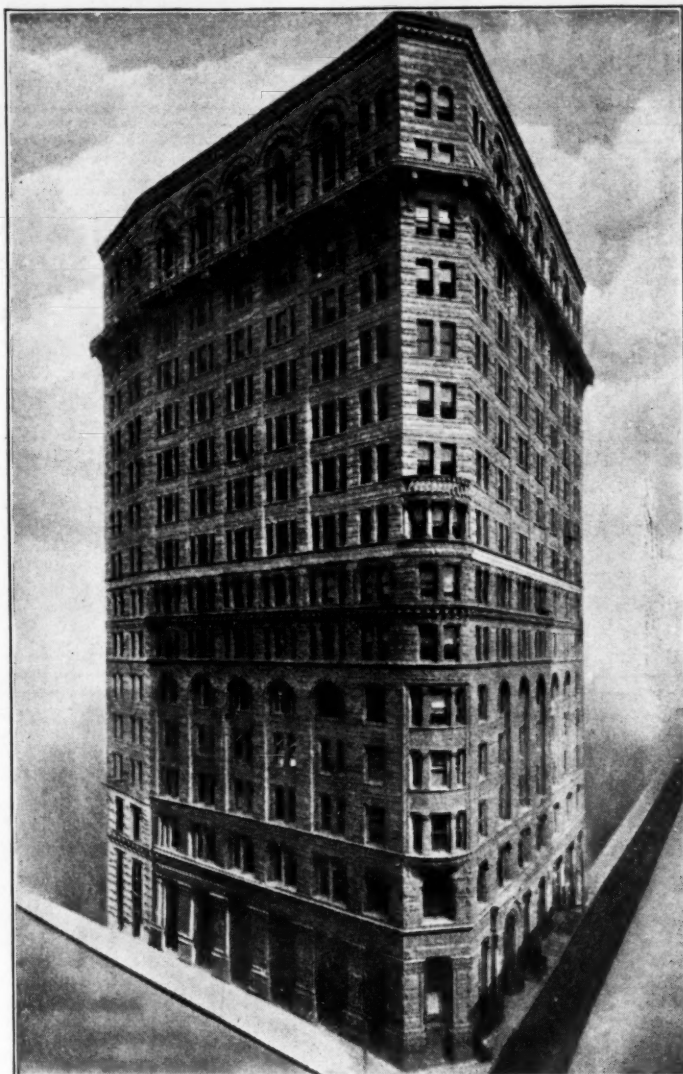
The Fidelity Trust Company

Charles and Lexington Streets
BALTIMORE, MD.

EDWIN WARFIELD, President

VAN LEAR BLACK, Vice-President
ROBT. S. HART, Secretary
F. HOWARD WARFIELD, Trust Officer

W. BLADEN LOWNDES, Vice-Pres. and Treas.
GEORGE L. MAHLER, Asst. Sec'y and Treas.
C. T. WILLIAMS, Mgr. Investments



NEW FIDELITY BUILDING,
CHARLES AND LEXINGTON STS., BALTIMORE.

Acts as Executor, Administrator, Guardian and Trustee, Manages Estates and Collects Incomes.
Rents Safe Deposit Boxes and Receives Valuables on Storage, Does a General Banking-Business. Interest Allowed on Deposits. Issues Letters of Credit and Travelers' Checks.

INVESTMENT, TRUST, REAL ESTATE AND FOREIGN DEPARTMENTS

Last Call, State Banking Department

September 4th, 1912—RESOURCES

Stocks and Bonds	-	-	-	-	-	-	-	\$3,293,043.88
Loans Secured by Collateral	-	-	-	-	-	-	-	4,869,193.51
Cash in Vault and Depositories	-	-	-	-	-	-	-	1,426,856.99
								<u>\$9,589,094.38</u>

LIABILITIES

Capital Stock	-	-	-	-	-	-	-	\$1,000,000.00
Surplus and Undivided Profits	-	-	-	-	-	-	-	968,041.07
Deposits	-	-	-	-	-	-	-	7,621,053.31
								<u>\$9,589,094.38</u>

DIRECTORS

EDWIN WARFIELD,
President.
VAN LEAR BLACK,
Black, Sheridan, Wilson Company.
JOSEPH A. BOLGIANO,
Capitalist.
ALFRED E. BOOTH,
Capitalist.
HERMAN E. BOSLER,
Capitalist.
HOWARD BRUCE,
Bartlett-Hayward Co.
WILLIAM A. DICKEY,
William J. Dickey & Sons.
CHARLES E. FINK,
Attorney-at-Law.
SOLOMON FRANK,
Capitalist.
FRANK A. FURST,
President Maryland Dredging Co.
E. STANLEY GARY,
James S. Gary & Son.
JOHN S. GIBBS, JR.,
Gibbs Preserving Company.
W. BLADEN LOWNDES,
Banker.
J. V. McNEAL,
Vice-President Baltimore & Ohio Railroad.
SEYMOUR MANDELBAUM,
Capitalist.
GUSTAVUS OBER, JR.,
G. Ober & Sons Company.
JOHN WALTER SMITH,
United States Senator.
SIMON H. STEIN,
Banker.
GEORGE WARFIELD,
Capitalist.
CLARENCE W. WATSON,
United States Senator.
THOMAS A. WHELAN,
Attorney-at-Law.
MORRIS WHITRIDGE,
Whitridge, White & Company.
JOHN H. WIGHT,
Sherwood Distilling Company.

CHARTERED 1864

SAFE DEPOSIT AND TRUST COMPANY OF BALTIMORE

13 SOUTH STREET

Capital \$600,000

Surplus and Profits \$2,376,000

Acts as Trustee of Corporation Mortgages. Fiscal Agent for Corporations and Individuals, Transfer Agent and Registrar. Depository under plans of reorganization.

Acts as Executor, Administrator, Guardian, Trustee, Receiver, Attorney and Agent, being especially organized for careful management and settlement of estates of every character.

Fireproof building with latest and best equipment for safety of contents.

Safes for rent in its large fire and burglar proof vaults, with spacious and well lighted coupon rooms for use of patrons.

Securities held on deposit for Out of Town Corporations and Persons.

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H. WALTERS, Vice-Pres't

WALDO NEWCOMER

SAM'L M. SHOEMAKER

JOHN W. MARSHALL, 2nd Vice-Pres't

NORMAN JAMES

BLANCHARD RANDALL

JOHN J. NELLIGAN, 3rd Vice-Pres't

DOUGLAS H. THOMAS

E. H. PERKINS

ISAAC M. CATE

ANDREW P. SPAMER, Treasurer

GEO. B. GAMMIE, Asst. Treasurer

MIDDENDORF, WILLIAMS & CO. BANKERS and BROKERS

MEMBERS NEW YORK AND BALTIMORE STOCK EXCHANGES

Private Wires to Principal Markets

31 Pine Street
NEW YORK

129 E. German Street
BALTIMORE

Stocks and Bonds Bought and Sold on Commission. Special attention given to
Railroad, Public Utility and other Investment Securities.



The National City Bank

BALTIMORE, MARYLAND : No. 15 SOUTH ST.

Accounts of Banks, Bankers, and Trust
Companies received on favorable terms
Excellent Collection Facilities

Write us about your Maryland Items

DEPOSITORY of the
United States, State of Maryland and City of Baltimore

OFFICERS

DAVID H. CARROLL, Pres.

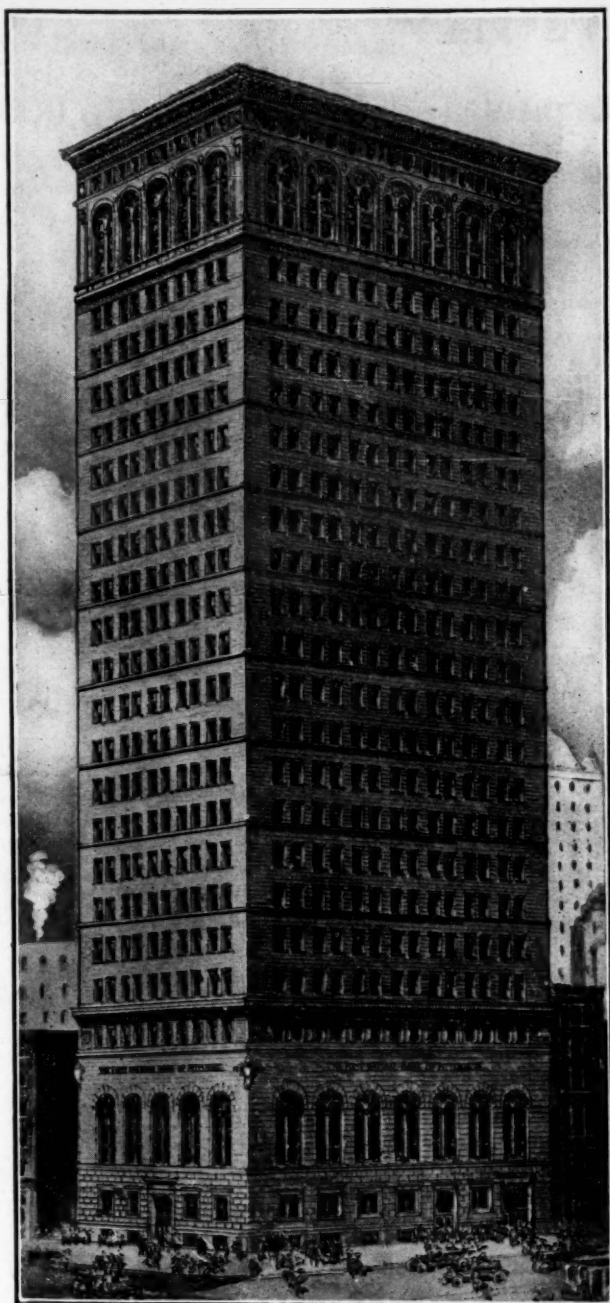
MICHAEL SCHLOSS, Vice-Pres.

JOHN F. SIPPEL, Vice-Pres.

HARRY M. MASON, Cashier.

First National Bank of Pittsburgh

PENNSYLVANIA



WORLD-WIDE BANKING

in every detail is carried on by this institution, which in an unbroken and successful career of more than SIXTY YEARS has established desirable connections all over the Globe.

A liberal rate of interest is paid on balances of Banks and Bankers. These balances are available at any moment, at any financial center in either hemisphere.

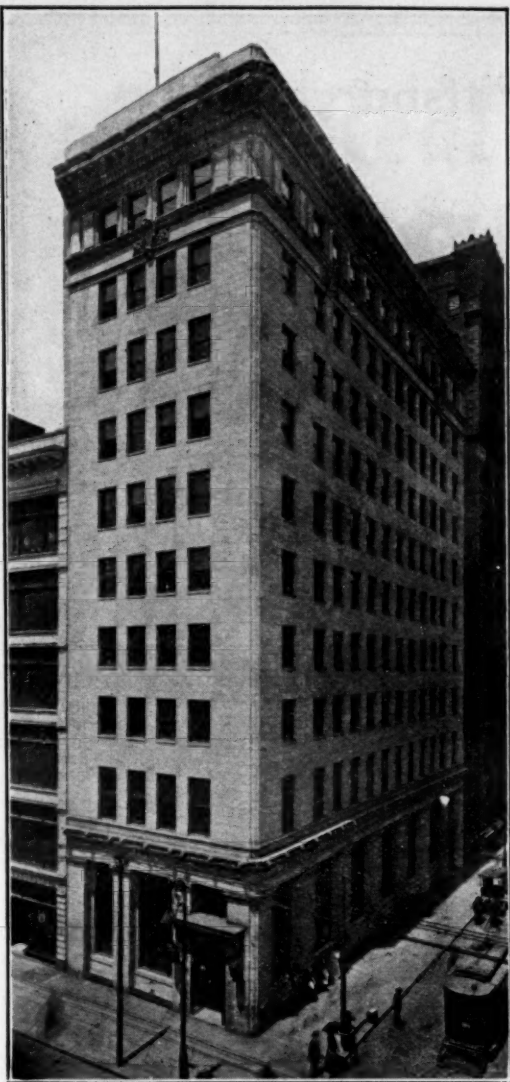
We buy and sell Foreign Exchange and Foreign Money, provide Banks with facilities for issuing Foreign

Exchange in their own names, supply travelers with steamship tickets to any port on the Globe, and sell Letters of Credit and Travelers' Cheques.

OSCAR L. TELLING, *President.*

F. H. RICHARD, *Cashier.*

Capital, Surplus and Undivided Profits	-	\$2,103,808.51
Deposits	- - - - -	18,790,060.23
Resources	- - - - -	21,963,754.86



The New Home of the Second National Bank at
Liberty Avenue and Ninth Street.

ORGANIZED 1863

Second National Bank OF PITTSBURGH

Depository of the United States
the State of Pennsylvania
and the City of Pittsburgh

Capital, \$1,800,000
Surplus, \$2,000,000
Deposits, \$15,000,000

Accounts of Banks and Bankers Cordially Solicited

OFFICERS

WILLIAM S. KUHN, President

WILLIAM McCONWAY
Vice President

JAMES M. YOUNG
Vice President and Cashier

BROWN A. PATTERSON
Asst. Cashier

GEORGE A. STEPHENSON
Asst. Cashier

HARRY D. RAMSEY, Asst. Cashier

The Peoples National Bank

PITTSBURGH, PA.

Organized 1864

Through the affiliations of its directors this bank is in close touch
with the important business interests of the Pittsburgh District,
and through its efficient organization is able to administer any
business entrusted to it in an intelligent manner. :: :: :: ::

Capital and Surplus, - - - - - \$2,900,000

W. E. BALLARD

D. V. McCONNEL

BALLARD & McCONNEL

INVESTMENTS

Members Pittsburgh Stock Exchange

COMMONWEALTH BUILDING

PITTSBURGH, PA.

We solicit out of town correspondents and furnish any statistical information
desired on local securities.

For Banking Service in Pittsburgh, the

COLUMBIA NATIONAL BANK OF PITTSBURGH

THE Bank which makes a specialty of thorough,
accurate service in every department.

Collections and Accounts of Banks are solicited.

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W. C. LOWRIE, Cashier

JOHN A. BELL, Vice-President
C. C. HAMMOND, Asst. Cashier

R. J. DAVIDSON, Vice-President
J. N. THOMPSON, Asst. Cashier

ASSETS MORE THAN TWELVE MILLION DOLLARS

Donner, Childs & Woods BANKERS AND BROKERS UNION BANK BUILDING PITTSBURGH, PA.

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NEW YORK STOCK EXCHANGE
PITTSBURGH STOCK EXCHANGE
CHICAGO BOARD OF TRADE

High Grade Investment Bonds a Specialty



MARYLAND TRUST COMPANY

N. W. Corner Calvert and German Sts., Baltimore, Md.

CAPITAL, \$1,500,000

::

TRANSACTS A GENERAL
TRUST AND BANKING BUSINESS

Safe Deposit Boxes for Rent. Correspondence and Interviews Invited.

Interest allowed on deposit accounts subject to check. Special rates on time deposit accounts. Acts as trustee under mortgages of railroads and other corporations; as depository under plans of re-organization; as financial agent for the transfer and registration of stocks and bonds, and for the payment of interest and dividends. A Legal Depository for Court and Trust Funds.

OFFICERS

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OSCAR G. MURRAY 1st Vice-President JERVIS SPENCER, JR., Secretary-Treasurer
IVAN SKINNER Asst. Secretary and Asst. Treasurer

DIRECTORS

JOSEPH I. FRANCE. GEORGE C. JENKINS. THEODORE E. STRAUS.
B. HOWELL GRISWOLD, Jr. J. V. McNEAL. ARTHUR G. WELLINGTON.
GEORGE GARR HENRY. J. BARRY MAHOOL. HENRY B. WILCOX.
A. BARTON HEPBURN. HENRY C. MATTHEWS. DOUGLAS M. WYLIE.
JOHN T. HILL. OSCAR G. MURRAY. L. S. ZIMMERMAN.

The Real Estate Trust Co. of Philadelphia

Broad and Chestnut Streets

CAPITAL \$4,000,000

Solicits Deposits of Firms, Corporations and Individuals—Interest Allowed

*Is fully equipped to handle all Business pertaining to a Trust Company,
in its Banking, Trust, Real Estate and Safe Deposit Departments*



George H. Earle, Jr., President

S. F. Houston, Vice-President

John A. McCarthy, Trust Officer

Edw. S. Buckley, Jr., Treasurer

William R. Philler, Secretary

Directors

George H. Earle, Jr.

Edward P. Borden

Frank C. Roberts

James F. Sullivan

Cyrus H. K. Curtis

Samuel F. Houston

William A. Patton

Richard Y. Cook

J. Levering Jones

George Woodward, M.D.

R. Dale Benson

Bayard Henry

August B. Loeb

John Gribbel

Louis J. Kolb

Fourth Street National Bank

Philadelphia

SOLICITS the accounts of
Banks, Bankers, Corpora-
tions, Firms and Individuals.
Exceptional Facilities for mak-
ing Collections throughout the
World. Foreign Exchange
Bought and Sold. Travelers'
and Commerical Letters of
Credit issued and Transfers
made by Cable.

Capital \$3,000,000
Surplus and Undivided Profits . 6,500,000

E. F. SHANBACKER, President.

JAMES HAY, Vice-Pres't.

R. J. CLARK, Cashier.

B. M. FAIRES, Vice-Pres't.

W. A. BULKLEY, Ass't Cashier.

FRANK G. ROGERS, Vice-Pres't.

W. K. HARDT, Ass't Cashier.

C. F. SHAW, Jr., Ass't Cashier.

DIRECTORS

Sidney F. Tyler, Chairman.

**James Hay,
Frank T. Patterson,
Charles I. Cragin,
William A. Dick,
Effingham B. Morris,
Wm. R. Nicholson,**

**Rudolph Ellis,
Clement A. Griscom,
Francis I. Gowen,
Arthur E. Newbold,
Isaac H. Clothier,**

**Alba B. Johnson,
C. S. W. Packard,
E. F. Shanbacker,
J. M. Willcox,
T. C. du Pont,
E. W. Clark.**

THE PHILADELPHIA

NATIONAL BANK

PHILADELPHIA

Organized 1803

Accounts
of
Banks,
Bankers,
Mercantile
Firms
and
Corporations
Invited



National Bank 1864

Foreign
Exchange
Bought
and
Sold.
Letters
of
Credit
Issued

STATEMENT OF CONDITION, SEPTEMBER 4, 1912

RESOURCES

Loans and Discounts.....	\$37,236,792.35
Due from Banks.....	7,838,493.62
Exchanges for Clearing House.....	1,935,906.45
Cash and Reserve.....	12,801,433.68
	\$59,812,626.10

LIABILITIES

Capital Stock.....	\$1,500,000.00
Surplus and Net Profits (Earned).....	4,261,430.31
Circulation.....	642,497.50
DEPOSITS } Individual... \$31,185,559.51	
} Bank..... 22,223,138.78	53,408,698.29
	\$59,812,626.10

LEVI L. RUE, President.	LINCOLN GODFREY Vice President.	HARRY J. KESER, Cashier.
HORACE FORTESCUE, Assistant Cashier.	WILLIAM S. MADDOX, Assistant Cashier.	DAVID W. STEWART, Assistant Cashier.

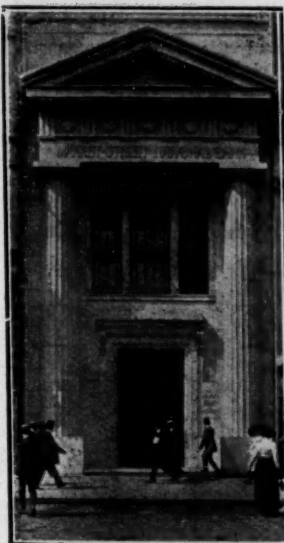
DIRECTORS

N. PARKER SHORTRIDGE, Chairman of the Board.

RICHARD ASHHURST,
LINCOLN GODFREY,
GEORGE WOOD,
ALFRED C. HARRISON,
LEVI L. RUE,
GEORGE H. FRAZIER,

PERCIVAL ROBERTS, Jr.,
GEORGE H. McFADDEN,
EDWARD T. STOTESBURY,
JAMES F. HOPE,
EFFINGHAM B. MORRIS,
RANDAL MORGAN,

R. DALE BENSON,
SAMUEL REA,
ALBA B. JOHNSON,
PIERRE S. DUPONT,
THOMAS S. GATES,
ASA S. WING.



The Market Street National Bank PHILADELPHIA

JAMES F. SULLIVAN, President
 GEORGE H. EARLE, JR., 1st Vice-Pres. WM. P. SINNETT, Cashier
 GEO. D. McCREARY, 2nd Vice-Pres. NICHOLAS COLEMAN, Asst. Cashier

Capital - - - \$1,000,000

Surplus - - - 1,000,000

ACCOUNTS SOLICITED CORRESPONDENCE INVITED
 COLLECTION FACILITIES FIRST CLASS



West End Trust Company

PHILADELPHIA

CAPITAL, - \$1,000,000

SURPLUS, - \$1,050,000

*Acts as Executor, Administrator
 Guardian, Trustee*

*Safe Deposit Boxes for Rent. Storage
 for Silverware and other Valuables.
 Interest allowed upon Deposits.*

MELLOR & PETRY

STOCKS, BONDS, INVESTMENT SECURITIES

MEMBERS OF
 NEW YORK STOCK EXCHANGE
 PHILADELPHIA STOCK EXCHANGE

1421 CHESTNUT STREET
 PHILADELPHIA



CORN EXCHANGE

NATIONAL BANK, Philadelphia

Security and Service

Union National Bank PHILADELPHIA

Capital, - - - - - \$500,000
Surplus and Undivided Profits, - 740,000

W. H. CARPENTER,
President
THEODORE H. CONDERMAN,
Vice-President
LOUIS N. SPIELBERGER,
Cashier
JOHN W. MINK,
Assistant Cashier

DIRECTORS

W. H. CARPENTER
IGNATIUS J. DOHAN
AARON GANS
T. H. CONDERMAN
HARLAN PAGE
JOHN E. REYBURN
WM. T. TILDEN
CHARLES H. ZEHNDER
HORACE T. POTTS
CHARLES S. WALTON
JOHN H. BOLTZ
HENRY F. MITCHELL
S. S. MARVIN



Accounts of Banks, Bankers,
Firms, Corporations and
Individuals Solicited

ERVIN & CO. BANKERS INVESTMENT SECURITIES

Drexel Building
Philadelphia

MEMBERS OF THE NEW YORK AND PHILADELPHIA STOCK EXCHANGES
BRANCH OFFICE: 333-4-5 REAL ESTATE TRUST BUILDING

ESTABLISHED 1866

BODINE, SONS & CO.

COMMERCIAL PAPER

COLLATERAL LOANS NEGOTIATED

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Thos. A. Biddle & Co.

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New York Stock Exchange

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326 Walnut Street
209-212 Real Estate Trust Building

PHILADELPHIA, PA.

WESTLING, EMMETT & CO.

... Bankers ...

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Chicago

Albany, N. Y.

Waverly, N. Y.

THE C. H. GEIST COMPANY

Land Title Building

PHILADELPHIA, PA.

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GAS, ELECTRIC LIGHT and WATER SUPPLY PROPERTIES

Correspondence Solicited

EDWARD B. SMITH & CO.

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Members New York
and Philadelphia
Stock Exchanges

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Securities

CRAMP, MITCHELL & SHOBER

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Investment Securities

Drafts and Letters of Credit Issued on All Parts of the World
Deposits Received Subject to Check, and Interest Allowed on Daily Balances

INDEPENDENCE TRUST COMPANY

THE NORTH AMERICAN BUILDING, PHILADELPHIA

CAPITAL \$1,000,000 SURPLUS, \$800,000

Transacts a General Trust Company Business

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J. Ernest Richards, 2nd Vice-President

Charles B. Dunn, President

John J. Collier, Treasurer
Allan Hunter, Ass't Treasurer

Charles B. Dunn
Rodman Wanamaker
W. Frederick Snyder
Christian C. Febiger

BOARD OF DIRECTORS
Robert M. Coyle
Louis S. Fiske
William L. Nevin
James Dobson

John J. Collier
J. Ernest Richards
John C. Lowry
Robert R. Dunn

NEW YORK CORRESPONDENT: NATIONAL BANK OF COMMERCE

Organized, Equipped and Conducted
for
Service

The First National Bank of Philadelphia

No. 1

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WM. A. LAW.....1st Vice-Pres.	CHARLES H. JAMES..Asst. Cashier.
KENTON WARNE....2d Vice-Prest.	FREAS B. SNYDER....Asst. Cashier.
THOMAS W. ANDREW.....Cashier.	HARRY J. HAAS.....Asst. Cashier.

Capital and Surplus = = = = \$3,000,000

Transacts a General Bank-
ing and Trust Business.
Interest paid on deposits.
Liberal terms offered for
the collection of out-of-town
checks. Deposits are avail-
able as New York Ex-
change.

CORRESPONDENCE SOLICITED

COMMERCIAL TRUST CO.

of NEW JERSEY
JERSEY CITY, N. J.

CAPITAL, SURPLUS and PROFITS over \$3,300,000.00

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ROB'T S. ROSS, Vice-President
WM. J. FIELD, Secretary and Treasurer
JAY S. PERKINS, Asst. Treasurer
J. RICHARD TENNANT, Asst. Secretary

RHODE ISLAND HOSPITAL TRUST CO.

PROVIDENCE, R. I.

The Oldest Trust Company in New England

CAPITAL, \$2,500,000

SURPLUS, \$2,500,000

HERBERT J. WELLS, President

EDWARD S. CLARK, Vice-President
WILLIAM A. GAMWELL, Secretary
CYRUS E. LAPHAM, Ass't Secretary
HENRY L. SLADER, Ass't Secretary
HENRY B. HAGAN, Ass't Secretary

HORATIO A. HUNT, Vice-President
PRESTON H. GARDNER, Trust Officer
JOHN E. WILLIAMS, Ass't Secretary
G. A. HARRINGTON, Ass't Trust Officer
HUGH RANKIN, Ass't Secretary

ESTABLISHED 1818

U. S. DEPOSITARY

THE

Merchants National Bank OF PROVIDENCE, R. I.

Capital, \$1,000,000 Surplus Earnings, \$850,000 Total Resources, \$10,600,000

The largest RESOURCES of any National Bank in New England outside of Boston.
COLLECTIONS on points in this State made direct and remitted for promptly at low rates.

ROBERT W. TAFT, President
HORATIO N. CAMPBELL, Vice-President

MOSES J. BARBER, Cashier
FRANK A. GREENE, Asst. Cashier

ALBERT P. MILLER, Jr.

**Industrial Trust Company Building
PROVIDENCE, R. I.**

**Local Securities
Gas, Electric Lighting and Railway
Bonds and Stocks**

Bonds and Preferred Stock Investments of Proven Value

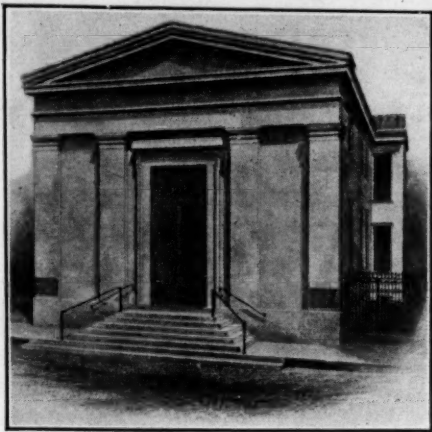
**BODELL & CO.
BANKERS**

**PROVIDENCE
10 Weybosset St.**

**BOSTON
35 Congress St.**

**WORCESTER
State Mutual Bldg.**

**SPRINGFIELD
318 Main St.**



Second Oldest Bank in New Jersey

The Trenton Banking Company

Trenton, N. J.

Chartered by the State of New Jersey, Dec. 3, 1804, this bank has continued in business ever since that time at the same location.

Capital, \$500,000 Surplus, \$500,000
Deposits, June 14, \$3,741,000

All business entrusted to this bank will receive the most careful attention. Collections promptly made. Correspondents in all principal towns of New Jersey.

OFFICERS

JOHN A. CAMPBELL, President
 HENRY W. GREEN, Vice-President ROBERT W. HOWELL, Cashier
 FOSTER C. GRIFFITH, Vice-President IRA FROST, Assistant Cashier

ESTABLISHED 1873

CAMDEN SAFE DEPOSIT AND TRUST COMPANY

CAMDEN, N. J.

Capital, Surplus and Undivided Profits, \$1,293,000.00

Deposits 6,600,000.00

Trust Funds 8,500,000.00

Well equipped for the settlement of estates, care of trust funds and other financial business

ALEXANDER C. WOOD, President

WILLIAM S. SCULL, Vice-President

JOSEPH LIPPINCOTT, Secretary and Treasurer

EPHRAIM TOMLINSON, 2nd Vice-Pres. and Trust Officer

GEORGE J. BERGEN, Solicitor

The Mechanics' Trust Company of New Jersey

BAYONNE, N. J.

Only Trust Company in New Jersey that clears through the New York Clearing House

OFFICERS

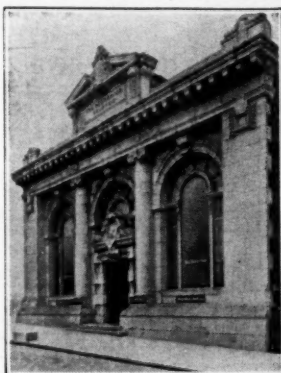
DE WITT VAN BUSKIRK, President
 CHRISTIAN B. ZABRISKIE, Vice-President
 WILLIAM R. WILDE, Treasurer
 FREDERIC C. EARL, Secretary

COLLECTIONS

Daily Presentation by our Messengers on Staten Island (Borough of Richmond, New York City), Jersey City, (including Greenville), Hoboken and Bayonne.

Collections for and Accounts of Banks Solicited.

Reciprocal Balances Based on Volume of Business.



ORGANIZED 1886

DIRECTORS

CHARLES S. NOË
 Chairman of the Board
 WILLIAM G. BESLER
 JOSEPH BRADY
 WARREN DELANO
 WILLIAM DONALD
 LUCIUS F. DONOHUE
 FREDERIC C. EARL
 CHARLES EDDY
 WILLIAM C. FARR
 OSCAR L. GUBELMAN
 CHARLES H. HAMPTON
 JOHN W. HARDENBERGH
 JOHN A. MIDDLETON
 JAMES P. SNEDDON
 DE WITT VAN BUSKIRK
 CHRISTIAN B. ZABRISKIE

THE PLAINFIELD TRUST COMPANY

Plainfield, N. J.

1902 - 1912

RESOURCES

\$4,500,000.00

OFFICERS

O. T. WARING, President

J. H. CASE, Vice-President

A. V. HEELY, Vice-President

H. H. POND, Secretary and Treasurer

HENRY A. MCGEE, Vice-President

DeWITT HUBBELL, Asst. Secy-Treas.



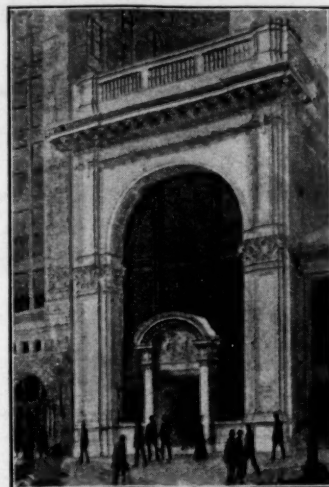
Union National Bank

NEWARK, N. J.
United States Depository

Capital - - - \$1,500,000
Surplus - - - - 2,500,000
Resources - - 18,000,000

Equipped to Handle Accounts of
Banks, Bankers, Corporations
Merchants and Individuals

WILLIAM SCHEERER, President
UZAL H. McCARTER, Vice-Pres.
JULIUS A. LEBKUECHER, Vice-Pres.
ARCHIBALD W. CONKLIN, Cash.
E. D. FARNSWORTH, Asst. Cash.
WM. C. PEARSON, Asst. Cash.

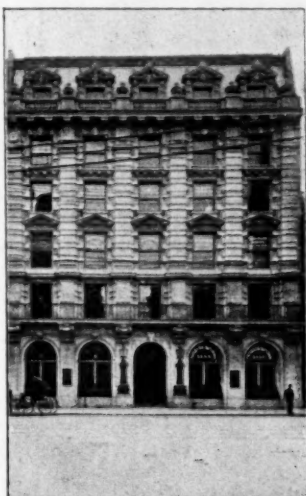


Essex County National Bank

NEWARK, N. J.

Capital - - - - - \$1,000,000
Surplus and Profits - - - 1,500,000
United States Depository

CHARLES L. FARRELL, President
FRANK B. ADAMS, Vice-Pres.
BENJAMIN ATHA, Vice-Pres.
GEO. F. REEVE, Vice-Pres.
A. F. R. MARTIN, Cashier



THE PATERSON NATIONAL BANK

PATERSON N. J.

UNITED STATES AND STATE DEPOSITORY

Capital, \$300,000
Surplus and Profits, 425,000
Deposits, 2,600,000

JOHN W. GRIGGS, President
JOHN S. COOKE, Vice-President
ELMER Z. HALSTED, Cashier
DANIEL H. MURRAY, Ass't Cashier

Collections a Specialty Accounts and Correspondence Invited

Morristown Trust Company

MORRISTOWN, N. J.

Capital and Surplus over \$2,000,000.00
Pays 3% Interest on Accounts of \$100 or Over Subject to Check

SAMUEL FREEMAN, President

WILLARD W. CUTLER, Vice-Pres.
JOHN H. CAPSTICK, Vice-Pres.
JNO. H. B. CORIELL, Sec.
HARRY A. VAN GILDER, Treas.
RALPH S. STREETT, Asst. Sec. and Treas.

DIRECTORS:

Samuel Freeman	Walter G. Oakman	James N. Wallace	John Claffin
Willard W. Cutler	Henry F. Taylor	S. Minot Jones	Granville M. White
Richard A. McCurdy	Louis A. Thebaud	D. Olcott	Harrie T. Hull
G. G. Frelinghuysen	John H. Capstick	A. R. Whitney, Jr.	William V. S. Thorne
O. H. Kahn	Samuel S. Dennis	James B. Duke	S. Harold Freeman

NATIONAL BANK OF CUBA

HEAD OFFICE: HAVANA
OBISPO AND CUBA STREETS

New York Agency: 1 Wall Street

Capital, Surplus and Undivided Profits, \$6,480,000.00
Deposits, - - - - - \$27,740,000.00

OFFICERS

Edmund G. Vaughan
President
Pedro Gómez Mena
Vice-Pres.
Samuel M. Jarvis
Vice-Pres.
W. A. Merchant
Vice-Pres.
H. Olavarria
Vice-Pres.
W. A. M. Vaughan
Cashier
Porfirio Franca
Asst. Cashier
Virgilio Vidal
Asst. Cashier
Eloy Bellini
Asst. Cashier
Charles M. Lewis
Asst. Cashier
W.H. Morales, Secretary
Henry M. Earle
New York Secretary
J. A. Beale
Mgr. Foreign Ex. Dept.
Felipe Montane, Asst.
Mgr. Foreign Ex. Dept.
J. H. Durrell
Supt. of Branches
Lscar Font y Sterling
Orestes, Ferrara
Oelayo Garcia
Puis N. Menocal
Advising Attorney:
R. E. Ulbricht
Comptrolle
Haskins & Sells
N. Y. and London, Cer-
tified Public Account-
ants, Auditors



Head Office, Havana

BRANCHES

84 GALIANO ST.,
HAVANA
232 MONTE ST.,
HAVANA
PRODUCE EX-
CHANGE, HAVANA
234 Jesus Del Monte
St., HAVANA
SANTIAGO
CIENFUEGOS
MATANZAS
CARDENAS
MANZANILLO
SAGUA LA GRANDE
PINAR DEL RIO
CAIBARIEN
GUANTANAMO
SANTA CLARA
CAMAGUEY
SANCTI SPIRITUS
CAMAJUANI
CRUCES
CIEGO DE AVILA
HOLGUIN
COLON
PLACETAS
TRINIDAD
SANTO DOMINGO
GUINES
GIBARA
GUANABACOA

Depository for the Government of Cuba and United States Government

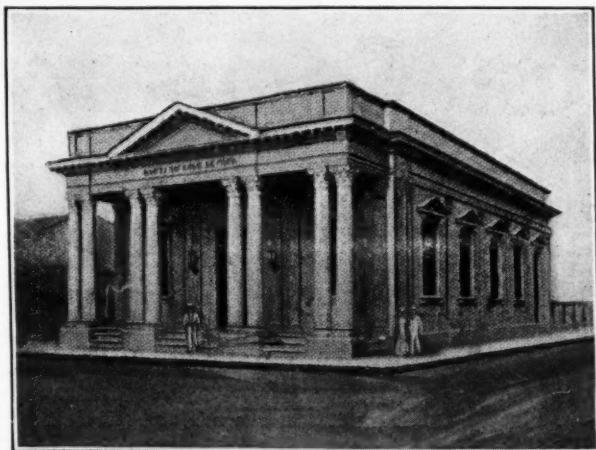
Special Agents at Every Commercial Point in Cuba and Correspondents Throughout the World

DOMESTIC AND FOREIGN BANKING

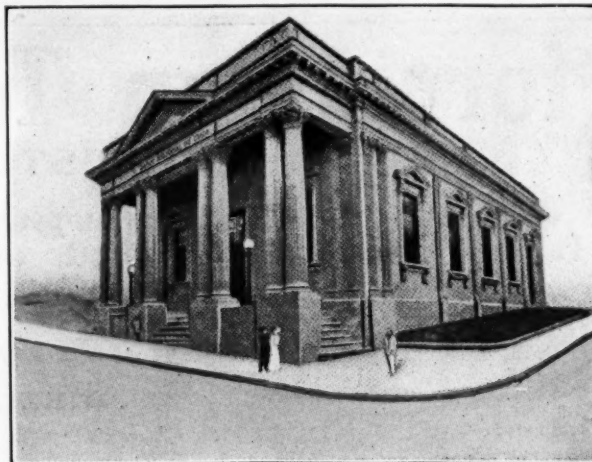
COMMERCIAL COLLECTIONS A SPECIALTY

TRUST COMPANY BUSINESS OF EVERY CHARACTER

Member American Bankers' Association



Branch at Cienfuegos



Branch at Santiago

The Canadian Bank of Commerce

Capital \$15,000,000

Reserve \$12,500,000

SIR EDMUND WALKER, C.V.O., LL.D., D.C.L., President

ALEXANDER LAIRD, General Manager JOHN AIRD, Ass't General Manager



HEAD OFFICE, TORONTO

ESTABLISHED 1867

ACCOUNTS
OF
AMERICAN
BANKS
RECEIVED ON
FAVORABLE TERMS

CORRESPONDENCE INVITED

This bank having 342 branches in Canada is enabled to place at the disposal of its Correspondents unexcelled facilities for the transaction of every kind of banking business throughout the Dominion.

Special attention given to the collection of Commercial paper.

New York Agency—16 Exchange Place

Wm. Gray and H. P. Schell, Agents

PORTLAND BRANCH	Second Avenue and Stark Street
SAN FRANCISCO BRANCH	California and Sansome Streets
SEATTLE BRANCH	Second Avenue and James Street
MEXICO CITY BRANCH	Avenida San Francisco No. 50
LONDON, ENGLAND, OFFICE	2 Lombard Street, E. C.

C. Meredith & Co.

LIMITED

Bond Brokers and Financial Agents

101 St. Francois Xavier Street, Montreal
46 Threadneedle Street, London, E. C.

BOARD OF DIRECTORS

C. MEREDITH, *President*
C. R. HOSMER
D. C. MACAROW
A. BAUMGARTEN
J. J. REED

C. B. GORDON, *Vice-Pres*
WM. McMASTER
H. ROBERTSON
CAPT. D. C. NEWTON
BARTLETT McLENNAN

A. H. B. MACKENZIE, *Manager*

A. P. B. WILLIAMS, *Secretary*

J. M. MACKIE, *Treasurer*

CANADIAN GOVERNMENT AND
MUNICIPAL SECURITIES

ALSO

HIGH GRADE CORPORATION AND
INDUSTRIAL BONDS

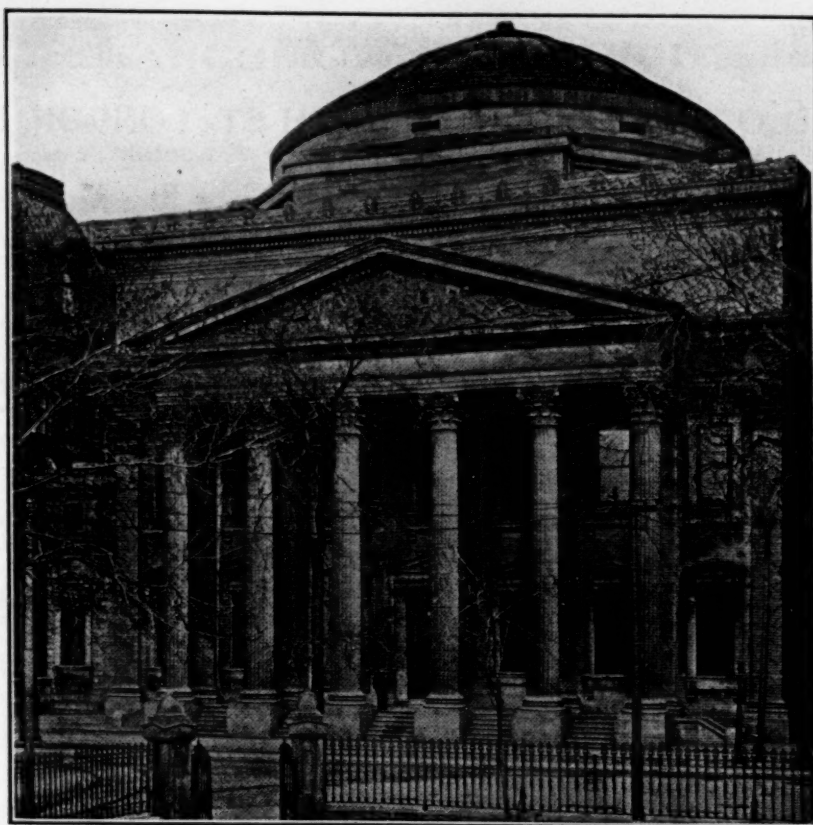
*Monthly list of offerings mailed upon request and
correspondence invited*

Bank of Montreal

ESTABLISHED 1817

Head Office : : : : MONTREAL, CANADA

Capital paid up	-	-	\$16,000,000
Rest	-	-	\$16,000,000
Undivided profits	-	-	\$696,463



BOARD OF DIRECTORS

RT. HON. LORD STRATHCONA AND MOUNT ROYAL, G. C. M. G., Hon. Pres.	SIR EDWARD CLOUSTON, Bart., Vice-President.
R. B. ANGUS, President	SIR THOMAS SHAUGHNESSY, K.C.V.O.
E. B. GREENSHIELDS	DAVID MORRICE
SIR WILLIAM MACDONALD	C. R. HOSMER
JAMES ROSS	
HON. ROBERT MACKAY	A. BAUMGARTEN H. V. MEREDITH

H. V. MEREDITH, General Manager

The Bank of Montreal has Branches in the Principal Cities and Towns of Canada, from the Atlantic to the Pacific; in St. John's and Birchy Cove, Newfoundland; in New York, Chicago and Spokane, in Mexico and in London, England.

It Issues Commercial and Travellers Credits, Available with its Correspondents in all Parts of the World, Makes Collections at all Points. Buys and Sells Sterling and Continental Exchange and Cable Transfers.

NEW YORK OFFICE	- - - - -	64 WALL STREET
	R. Y. HEBDEN, W. A. BOG, J. T. MOLINEUX, Agents	
LONDON OFFICE	- - -	47 THREADNEEDLE STREET
	F. WILLIAMS TAYLOR, Manager	

THE BANK OF BRITISH NORTH AMERICA

Established in 1836. Incorporated by Royal Charter in 1840

Paid-up Capital £1,000,000

Reserve Fund £570,000

COURT OF DIRECTORS

JOHN H. BRODIE, ESQ.
J. J. CATER, ESQ.
J. H. MAYNE CAMPBELL, ESQ.

RICHARD H. GLYN, ESQ.
EDW. ARTHUR HOARE, ESQ.
HENRY J. B. KENDALL, ESQ.

FREDERIC LUBBOCK, ESQ.
C. W. TOMKINSON, ESQ.
GEO. DUNBAR WHATMAN, ESQ.

HEAD OFFICE, 5 GRACECHURCH ST., LONDON, E. C.

A. G. WALLIS, Secretary.

W. S. GOLDBY, Manager

Head Office in Canada, 140 St. James St., Montreal

H. STIKEMAN, General Manager
H. B. MACKENZIE, Superintendent of Branches
H. A. HARVEY, Superintendent of Eastern Branches
J. McEACHERN, Superintendent of Central Branches, Winnipeg
JAMES ANDERSON, Inspector O. R. ROWLEY, Inspector of Branch Returns
E. STONHAM, Assistant Secretary A. S. HALL, Assistant Inspector
J. H. GILLARD, Assistant Inspector N. V. R. HUUS, Assistant Inspector

BRANCHES IN CANADA

Agassiz, B. C.
Alexander, Man.
Ashcroft, B. C.
Battleford, Sask.
Belmont, Man.
Bobcaygeon, Ont.
Boucherville, P. Q.
Bow Island, Alta.
Brandon, Man.
Brantford, Ont.
Burdett, Alta.
Cainsville, Ont.
Calgary, Alta.
Campbellford, Ont.
Ceylon, Sask.
Darlingford, Man.
Davidson, Sask.
Dawson, Yukon.
Duck Lake, Sask.
Duncans, B. C.
Edmonton, Alta.
Estevan, Sask.
Fenelon Falls, Ont.

Fort George, B. C.
Forward, Sask.
Fredericton, N. B.
Girvin, Sask.
Halifax, N. S.
Hamilton, Ont.
" Westinghouse Av.
" Victoria Av.
Hedley, B. C.
Ituna, Sask.
Kaslo, B. C.
Kelliher, Sask.
Kerrisdale, B. C.
Kingston, Ont.
Lampman, Sask.
Levis, P. Q.
Lillooet, B. C.
London, Ont.
" Market Sq.
Longueuil, P. Q.
Lytton, B. C.
Macleod, Alta.
Midland, Ont.

Montreal, P. Q.
Montreal, St. Catherine St.
North Battleford, Sask.
North Vancouver, B. C.
" Upper Lonsdale Av.
Oak River, Man.
Ottawa, Ont.
Paynton, Sask.
Prince Rupert, B. C.
Punnichy, Sask.
Quebec, Que.
" St. John's Gate
Quesnel, B. C.
Raymore, Sask.
Reston, Man.
Rhein, Sask.
Rosemount, P. Q.
Rossland, B. C.
Rosthern, Sask.
St. John, N. B.
" Union St.
" Haymarket Sq.
St. Stephen, N. B.

Saltcoats, Sask.
Saskatoon, Sask.
Semans, Sask.
Toronto, Ont.
" { King and
" { Dufferin Sts.
" { Bloor and
" { Lansdowne
" Royce Av.
Trail, B. C.
Vancouver, B. C.
Varennes, P. Q.
Verdun, P. Q.
Victoria, B. C.
Wakaw, Sask.
Waldron, Sask.
Weston, Ont.
West Toronto, Ont.
Winnipeg, Man.
Wynyard, Sask.
Yorkton, Sask.

AGENCIES IN THE UNITED STATES

NEW YORK (Opened 1843) 52 WALL STREET

H. M. J. McMICHAEL and W. T. OLIVER, Agents

SAN FRANCISCO, G. B. GERRARD and A. S. IRELAND, Agents 264 California St.

FOREIGN AGENTS—LONDON—The Bank of England and Messrs. Glyn & Co. LIVERPOOL—Bank of Liverpool. SCOTLAND—National Bank of Scotland, Limited, and Branches. IRELAND—Provincial Bank of Ireland, Limited, and Branches; National Bank, Limited, and Branches. AUSTRALIA—Union Bank of Australia, Limited. NEW ZEALAND—Union Bank of Australia, Limited. INDIA, CHINA and JAPAN—Hong Kong & Shanghai Banking Corporation, also Mercantile Bank of India, Limited. WEST INDIES—Colonial Bank. PARIS—Credit Lyonnais. LYONS—Credit Lyonnais. MEXICO—Banco de Londres y Mexico and Branches.

Drafts on South Africa and West Indies may be obtained at the Bank's Branches
Issues Travellers Credits available in all parts of the World

AGENTS IN CANADA FOR COLONIAL BANK, LONDON, AND WEST INDIES
AGENTS IN NEW YORK FOR BANCO DE LONDRES Y MEXICO, MEXICO CITY
AND BRANCHES

ESTABLISHED 1864

The Merchants' Bank OF CANADA

Head Office: MONTREAL

Capital Paid Up, \$6,693,883 (August 31st)

Reserve Fund, \$5,900,000

Sir H. MONTAGU ALLAN, President

K. W. BLACKWELL, Vice-President

E. F. HEBDEN, General Manager

BRANCHES AND AGENCIES:

ONTARIO

Toronto, Wellington St. West
" Parliament St.
" Dundas St.
" Parkdale
Acton
Addison
Alvinston
Athens
Belleville
Berlin
Bothwell
Brampton
Brantford
Chatham
Chatsworth
Chesley
Creemore
Delta
Desboro
Eganville
Elgin
Elora
Finch
Fort William
Frankville
Galt
Gananoque
Georgetown
Glencoe
Gore Bay
Granton
Guelph
Hamilton
Hanover
Hespeler
Ingersoll
Kincardine
Kingston
Lancaster
Lansdowne
Leamington
Little Current
London
" South
Lucan
Lyndhurst
Markdale
Meaford
Mildmay
Mitchell
Mulrirk
Napanee
Newbury
Newington
Oakville
Orillia
Ottawa
Owen Sound
Perth
Prescott
Preston
Renfrew
Stratford
St. Eugene
St. George
St. Thomas
Tara
Thamesville
Tilbury
Walkerton
Walkerville
Wallaceburg
Watford
West Lorne
Westport
Wheatley
Williamstown
Windsor
Yarker
Manitoba
Austin
Brandon
Carberry
Gladstone
Griswold
Hartney
Macgregor
Morris
Napinka
Neepawa
Oak Lake
Portage la Pr.
Russell
Sidney
Souris
Winnipeg
" Bann Ave



Head Office, Montreal

QUEBEC

Montreal—Head Office, St.
James Street; 320 St. Cath. St.
W.; 1255 St. Cath. St. E.; 1330 St.
Law. Boul.; 1866 St. Law. Boul.; 672
Centre St.
Beauharnois
Bury
Lachine
Quebec
" St. Sauveur
Rigaud
Shawville
Sherbrooke
Ste. Agathe
des Monts
St. Jerome
St. Johns
St. Jovite

ALBERTA

Aerne
Botha
Big Valley
Brooks
Calgary
" 2d St. E.
Camrose
Carstairs
Castor
Chauvin
Coronation
Daysland
Delburne
Donalda
Edmonton
Edmonton
" Nam. Ave.
Edson
Hanna
Hughenden
Islay
Killam
Lacombe
Leduc
Lethbridge
Mannville
Medicine Hat
Munson
New Norway
Okotoks
Olds
Pincher Station
Red Deer
Rumsey
Ryley
Sedgewick
Stettler
Strome
Tofield
Trochu
Vegreville
Viking
Wainwright
Walsh
Wetaskiwin

SASKATCHEWAN

Antler
Arcola
Battleford
Carnduff
Frobisher
Gainsborough
Gull Lake
Kisbey
Maple Creek
Melville
Moose Jaw
Oxbow
Regina
Saskatoon
Unity
Whitewood

BRITISH COLUMBIA

Chilliwack
Elko
Nanaimo
New Westminster
Victoria
St. John
Hastings St.

NEW BRUNSWICK

St. John
NOVA SCOTIA
Halifax

Commercial and Travellers' Letters of Credit issued, available in all parts of the World. Travellers' Cheques issued in convenient denominations, payable at par in all parts of the world

SAVINGS DEPARTMENT AT ALL BRANCHES

Deposits of \$1.00 and upwards received, and interest allowed at best current rates

CANADIAN COLLECTIONS

Having 185 branches in Canada, and very satisfactory arrangements at other points, this Bank's facilities for making collections throughout the Dominion are unsurpassed

Canadian checks cashed, and money transferred to Canada by mail or telegraph, on favorable terms by the

NEW YORK AGENCY :: :: 63-65 WALL STREET

W. M. RAMSAY, C. J. CROOKALL, Agents

Telephone Broad 2548-2549

BANKERS IN GREAT BRITAIN

The London Joint Stock Bank, Limited

The Royal Bank of Scotland



Dominion Bond Building, Toronto, Canada

HEAD OFFICE OF THE

Dominion Bond Company Limited

BRANCHES AT

Montreal Vancouver London, Eng.

*Detailed information regarding any Canadian
Security on request.*

*Our latest Investment List gives details of the
companies in whose securities we
have specialized.*

The Royal Bank of Canada

INCORPORATED 1869

Capital Authorized - - - - -	\$25,000,000
Capital Paid Up - - - - -	11,500,000
Reserve and Undivided Profits - - - -	12,500,000
Total Assets - - - - -	175,000,000

Head Office, Montreal

BOARD OF DIRECTORS

H. S. HOLT, President E. L. PEASE, Vice-President
E. F. B. JOHNSTON, K. C., 2nd Vice-President

WILEY SMITH	JAS. REDMOND	W. H. THORNE	WM. ROBERTSON	C. S. WILCOX
HON. DAVID MACKEEEN	G. R. CROWE	HUGH PATON	A. J. BROWN, K. C.	A. E. DYMENT
	D. K. ELLIOTT	T. J. DRUMMOND	W. J. SHEPPARD	

E. L. PEASE, General Manager

C. E. NEILL and F. J. SHERMAN, Asst. General Managers

W. B. TORRANCE, Supt. of Branches



NEW YORK AGENCY, THE ROYAL BANK OF CANADA
Corner William and Cedar Streets
The entire ground floor of this building has been
secured under a long lease

STATEMENT TO THE DOMINION GOVERNMENT

Showing Condition of the Royal Bank of Canada
on July 31, 1912

LIABILITIES

Capital Paid Up.....	\$7,953,650.00
Reserve Fund.....	8,929,015.00
Undivided Profits.....	401,480.56
Notes in Circulation.....	7,270,702.44
Deposits.....	93,285,803.53
Due to other Banks.....	6,547,570.99
	<hr/>
	\$124,388,222.52

ASSETS

Cash on hand and in banks.....	\$22,175,807.62
Government and Municipal Securities.....	2,042,688.62
Railway and other Bonds, Debentures and Stocks.....	10,513,620.43
Call Loans in Canada.....	5,201,611.09
Call Loans elsewhere than in Canada.....	15,773,668.17
Deposit with Dominion Government for Se- curity of Note Circulation.....	374,705.39
	<hr/>
	\$56,082,101.32
Loans and Discounts.....	65,403,230.17
Bank Premises.....	2,902,891.03
	<hr/>
	\$124,388,222.52

Collections Receive Special Attention

290 Branches in Canada and Newfoundland
23 Branches in Cuba, Porto Rico and Dominican Republic

BRITISH WEST INDIES

BAHAMAS-Nassau; BARBADOS-Bridgetown; JAMAICA-Kingston; TRINIDAD-Port of Spain
and San Fernando

GREAT BRITAIN
LONDON: Princes Street, E. C.
W. M. BOTSFORD, Manager
JAS. MACKIE, Joint Manager

UNITED STATES
NEW YORK
Corner William and Cedar Streets
S. H. VOORHEES, Agent

EVERY DEPARTMENT OF BANKING BUSINESS

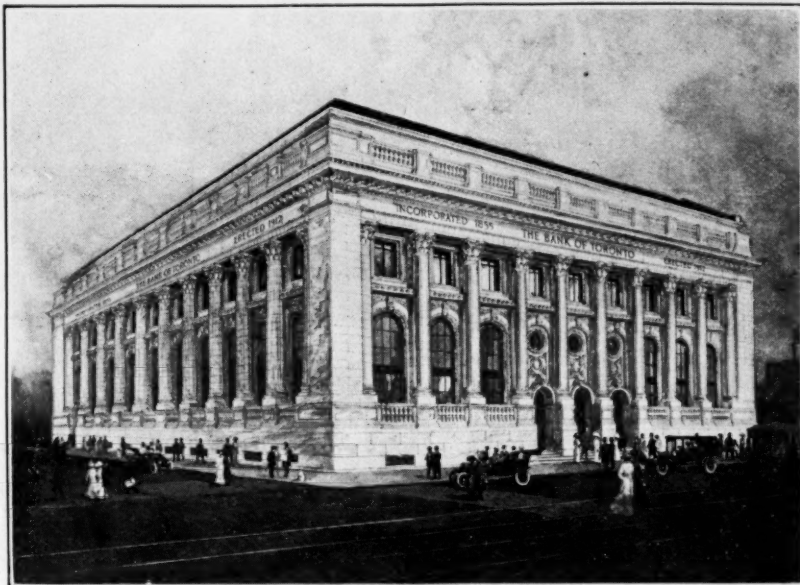
BANK OF TORONTO

HEAD OFFICE: TORONTO, CANADA

CAPITAL \$5,000,000

RESERVE \$6,000,000

INCORPORATED 1855



113 BRANCHES IN ONTARIO, QUEBEC AND THE WEST

Complete facilities for making prompt collections throughout Canada and for banking business of every description.

AGENTS IN UNITED STATES

NEW YORK, Nat. Bank of Commerce.
CHICAGO, First National Bank.
BUFFALO, Manufacturers' & Traders' National Bank.
ST. LOUIS, Nat. Bank of Commerce.

DIRECTORS

DUNCAN COULSON, President
W. G. GOODERHAM, Vice-President
JOSEPH HENDERSON, 2d Vice-Pres.
W. H. BEATTY
ROBERT REFORD
HON. C. S. HYMAN
WILLIAM STONE
JOHN MACDONALD
LT. COL. A. E. GOODERHAM
NICHOLAS BAWLF
LT. COL. FRANK MEIGHEN

THOS. F. HOW, General Manager
T. A. BIRD, Inspector

CANADIAN

Bonds, Debentures and Shares
Bought, Sold and Appraised

Correspondence Invited

W. GRAHAM BROWNE & CO.

Investment Bankers

Montreal

CANADA SECURITIES CORPORATION

LIMITED

CAPITAL \$1,000,000

GOVERNMENT, MUNICIPAL AND CORPORATION BONDS

Head Office: Dominion Express Bldg., MONTREAL
F. H. Manley, General Manager

Dominion Express Building, MONTREAL

TORONTO, Canada

LONDON, England

THE DOMINION BANK

HEAD OFFICE: TORONTO, CANADA



WINDSOR BRANCH. H. RUSH, Manager

CAPITAL (paid up)
\$5,000,000

Reserve Fund and
Undivided Profits
(over) \$6,000,000

Sir EDMUND B. OSLER, M.P., President
WILMOT D. MATTHEWS, Vice-Pres.
CLARENCE A. BOGERT, Gen. Mgr.

Branches and Agencies throughout Canada and United States
Collections Made and Remitted for Promptly

LONDON, ENGLAND, BRANCH
73 CORNHILL, E. C.

NEW YORK AGENTS
NATIONAL CITY BANK—NATIONAL PARK BANK

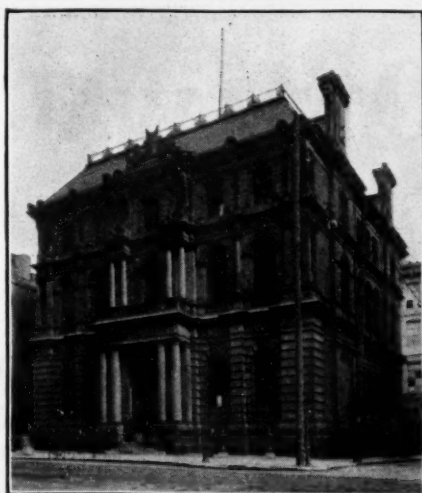
MURRAY, MATHER & Co.

Toronto General Trusts Building, Toronto

*Dealers in
Canadian Investment Bonds*

N. B. STARK & COMPANY

Dominion Express Building, Montreal



INCORPORATED 1855

THE MOLSONS BANK

Head Office: MONTREAL
85 BRANCHES IN CANADA

Capital Paid Up	- - - - -	\$4,000,000
Reserve Fund	- - - - -	4,600,000
Total Assets Over	- - - - -	50,000,000

JAMES ELLIOT, General Manager

SPECIAL ATTENTION GIVEN TO COLLECTIONS
RECEIVED FROM THE UNITED STATES

CANADIAN INVESTMENTS

Public Utility and Industrial Bonds

Nesbitt, Thomson & Company
Limited

Bank of Ottawa Building

MONTREAL

Union Bank of Canada

ESTABLISHED 1865



Head Office—Winnipeg

HEAD OFFICE, WINNIPEG

Paid Up Capital	- -	\$5,000,000
Reserve Fund and		
Undivided Profits (over)	}	3,175,000
Total Assets (over)	-	63,000,000

Hon. JOHN SHARPLES	-	Honorary President
JOHN GALT	-	President
W. PRICE and R. T. RILEY	-	Vice-Presidents
G. H. BALFOUR	-	General Manager
H. B. SHAW	-	Asst. General Manager

London, Eng., Office, 51 Threadneedle St., E.C.
F. W. ASHE, Manager

PRINCIPAL CORRESPONDENTS

LONDON—Parr's Bank Limited
NEW YORK—The National Park Bank
BOSTON—The National Shawmut Bank
CHICAGO—The Corn Exchange National Bank
SAN FRANCISCO—The Bank of California, N. A.

THIS BANK, having 265 Branches in Canada, extending from Halifax to Prince Rupert, offers excellent facilities for making collections, and for the transaction of every description of banking business.

THE BANK OF OTTAWA

ESTABLISHED 1874

HEAD OFFICE, OTTAWA, CANADA

Paid Up Capital, Rest	}	\$7,618,167
and Undivided Profits		

THIS BANK has nearly 100 Branches throughout Canada and is in a position to undertake the Canadian business of American Banks.

**Canadian
Government,
Municipal and
Corporation Bonds**

Our lists comprise carefully selected offerings of Canadian Government, Municipal, and some of the best class of Corporation Bond issues, suitable for investment of the funds of Banks, Trust and Insurance Companies, Estates and Private Investors.

Correspondence Invited

Wood, Gundy & Company

14 CORNHILL
LONDON, England

6 KING STREET WEST
TORONTO, Canada

**DEBENTURES
OF CANADIAN MUNICIPALITIES**

As large purchasers of Municipal obligations in every Province of Canada, we are in a position to readily furnish a selection of investments acceptable for—

REQUIREMENTS OF TRUSTEES AND ESTATES IN THE VARIOUS PROVINCES.

REQUIREMENTS OF INDIVIDUALS AND INSTITUTIONS DESIRING THIS CHARACTER OF SECURITY.

REQUIREMENTS OF INSURANCE COMPANIES FOR GOVERNMENT DEPOSIT.

**DOMINION SECURITIES CORPORATION
LIMITED**

26 KING ST. EAST
TORONTO

ESTABLISHED 1901
LONDON, ENG.

CANADA LIFE BLDG.
MONTREAL

The Metropolitan Bank

Head Office: Toronto, Canada

W. D. Ross, General Manager

Capital Paid Up	- - - - -	\$1,000,000.00
Reserve Fund	- - - - -	1,250,000.00
Undivided Profits	- - - - -	138,046.68

Correspondents { NEW YORK: BANK OF THE MANHATTAN COMPANY
LONDON: BANK OF SCOTLAND

PROMPT ATTENTION GIVEN TO COLLECTIONS

DEUTSCHE BANK

BERLIN, W.
Behrenstrasse, 9 to 13

CAPITAL, \$47,619,000

M. 200,000,000

Dividends paid during last ten years: 11, 11, 12, 12, 12, 12, 12, 12, 12, 12 per cent

RESERVE, \$26,190,000

M. 110,000,000

BRANCHES

BREMEN, DRESDEN, FRANKFORT-ON-M., HAMBURG, LEIPSIK, MUNICH, NUREMBERG,
AUGSBURG, CHEMNITZ, MEISSEN, WIESBADEN, BRUSSELS, CONSTANTINOPLE,
and the

DEUTSCHE BANK (BERLIN) LONDON AGENCY, 4 George Yard, Lombard St., LONDON, E. C.

Banco Aleman Transatlantico

(Deutsche Ueberseelsche Bank)

Subscribed Capital, \$7,143,000

M. 30,000,000

Paid Up Capital, \$6,071,400

M. 25,500,000

Reserve Fund, \$1,941,000

M. 8,153,000

Head Office: BERLIN, Wilhelmstrasse 71.

BRANCHES

ARGENTINA: Bahia-Blanca, Buenos Aires, Cordoba, Mendoza, Rosario de Santa Fe, Tucuman.
BOLIVIA: La Paz, Oruro.
CHILI: Antofagasta, Arica, Concepcion, Iquique, Osorno,
Santiago, Temuco, Valdivia, Valparaiso.
PERU: Arequipa, Callao, Lima, Trujillo.
URUGUAY: Montevideo.
SPAIN: Barcelona, Madrid.

BANCO ALLEMAO TRANSATLANTICO

BRAZIL: Rio de Janeiro.

Bills sent for collection, negotiated or advanced upon. Drafts, cable-transfers and letters of credit issued. Private Codes.

LONDON AGENTS:

DEUTSCHE BANK (BERLIN) LONDON AGENCY, 4 George Yard, Lombard St., London, E. C.

The London City and Midland Bank, Ltd.

ESTABLISHED 1836

DIRECTORS:

SIR EDWARD H. HOLDEN, BART., *Chairman and Managing Director.*
WILLIAM GRAHAM BRADSHAW, Esq., LONDON, *Deputy-Chairman.*

THE RIGHT HON. LORD AIREDALE, LEEDS.
SIR PERCY E. BATES, BART., LIVERPOOL.
CHARLES G. BEALE, Esq., BIRMINGHAM.
ROBERT C. BEAZLEY, Esq., LIVERPOOL.
SIR WILLIAM BENJAMIN BOWRING, BART., LIVERPOOL.
JOHN ALEXANDER CHRISTIE, Esq., LONDON.
FREDERICK HYNDE FOX, Esq., LIVERPOOL.

H. SIMPSON GEE, Esq., LEICESTER.
JOHN HOWARD GWYTHYR, Esq., LONDON.
ARTHUR T. KEEN, Esq., BIRMINGHAM.
THE RIGHT HON. LORD PIRRIE, K. P., LONDON.
THE RIGHT HON. LORD ROTHERHAM, MANCHESTER.
THOMAS ROYDEN, Esq., LIVERPOOL.
WILLIAM FITZTHOMAS WYLEY, Esq., COVENTRY.

Joint General Managers

- - - J. M. MADDERS

S. B. MURRAY

F. HYDE

Secretary

EDWARD J. MORRIS

Head Office: 5 THREADNEEDLE STREET, LONDON, ENGLAND

Telegraphic Address: "CIMIDHO, LONDON."

PAID-UP CAPITAL.....\$19,946,187

RESERVE FUND.....\$16,951,568

DEPOSITS.....\$400,000,000

The Bank has Branches and Sub-Branches in London, the suburbs, and throughout the country. It also has Agents in all the principal Cities of the world.

THE FOREIGN BRANCH OFFICE

Telegraphic Address: "CINNAFOREX, LONDON."

ISSUES Currency Drafts on all Cities, Circular Letters of Credit and Circular Notes payable all over the world; also makes Mail and Telegraphic Transfers to all Cities.
COLLECTS Foreign Bills.
PURCHASES approved Foreign Bills.

ESTABLISHES Commercial Credits on behalf of customers available anywhere against the usual shipping documents.

Drafts, &c., may be obtained direct from the Head Office or Branches, which are always ready to give quotations.

THE SHIPPING DEPARTMENT

Telegraphic Address: "CINNASHIP, LONDON."

Is specially organized to look after Shipowners' Freight Remittances from, and Disbursements to, all parts of the World by mail or cable.

NATIONAL DISCOUNT COMPANY, LIMITED

35, CORNHILL, LONDON, ENGLAND.

Cable Address: NATDIS, STOCK, LONDON.

ESTABLISHED, 1856.

Subscribed Capital, \$21,166,625. Paid-up Capital, \$4,233,325.
Reserve Fund, \$2,425,000.

In 169,333 shares of \$125 each, of which \$25 have been paid up. Number of Proprietors, 3,440

Directors.

EDMUND THEODORE DOXAT, Chairman.
SIGISMUND FERDINAND MENDEL, Deputy Chairman.
LAWRENCE EDLMANN CHALMERS. WALTER JAMES HERIOT.
FREDERICK WILLIAM GREEN. THE HON. SIDNEY PEEL.
FREDERICK LEVERTON HARRIS. CHARLES DAVID SELIGMAN.

Manager.

PHILLIP HAROLD WADE.

FRANCIS GOLDSCHMIDT. } Joint Sub-Managers.
WATKIN W. WILLIAMS. } Secretary.
CHARLES HENRY GOUGH.

Bankers.

BANK OF ENGLAND.
UNION OF LONDON AND SMITHS BANK, LIMITED.

Dr. PROFIT & LOSS ACCOUNT for the Half-year ending 30th June, 1912. Cr.
\$5 = £1 sterling.

To current expenses, including Directors' and Auditors' Remuneration, Salaries, Income Tax, and all other charges....	\$66,946	By balance brought forward from 31st December, 1911.....	\$104,907
Rebate of Interest on Bills not due, carried to New Account.....	712,754	Gross Profits during the half-year.....	1,043,008
Reserve Fund.....	50,000		
Six Months' Dividend at the rate of Ten per Cent. per annum, free of Income Tax.....	\$211,666		
Balance carried forward to next account	106,549		
	318,215		
	<u>\$1,147,915</u>		<u>\$1,147,915</u>

Dr. BALANCE SHEET, 30th JUNE, 1912. Cr.
\$5 = £1 sterling.

To Subscribed Capital— \$21,166,625	By Cash at Bankers.....	\$2,557,135
viz., 169,333 shares of \$125 each.	Securities—	
Capital, paid-up, viz., \$25 per share.....	British and Indian Government, City of London Corporation Bonds, and Trustee Securities	\$11,071,952
Reserve Fund.....	Other Securities, including short dated Colonial Bonds	2,370,587
Deposits and Sundry Balances.....		13,442,539
Bills Re-discounted.....	Loans at call, short and fixed dates.....	7,487,683
Rebate	Bills Discounted.....	78,285,734
Amount at credit of Profit and Loss Account	Interest due on Investments and Loans, and Sundry Balances.....	651,879
	Freehold Premises.....	500,000
		<u>\$102,924,970</u>
		<u>\$102,924,970</u>

On behalf of the Board,

EDMUND T. DOXAT, Chairman.
S. F. MENDEL, Deputy Chairman.

We report that we have obtained all the information and explanations which we have required. We have examined the Securities representing Investments of the Company, those held against Loans at call, short and fixed dates, and all Bills discounted in hand. We have also proved the Cash Balances, and verified the Securities and Bills in the hands of Depositors. In our opinion the Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information, and the explanations given to us, and as shown by the Books of the Company, except that it does not state the amount of Investments and Bills placed as security against Deposits.

35, CORNHILL, 4th July, 1912.

J. GURNEY FOWLER, F.C.A.,
(Price, Waterhouse & Co.) } Auditors.
FRANCIS W. PIXLEY, F.C.A.,
(Jackson, Pixley, Browning, Husey & Co.) }

Approved Bank and Mercantile Bills Discounted. Loans granted upon approved Negotiable Securities. Money received on Deposit, and Interest allowed at rates advertised from time to time; and for fixed periods upon specially agreed terms.

Standard Bank of South Africa, Ltd.

10 CLEMENTS LANE

Head Office—LOMBARD STREET, LONDON, E. C.

Paid-up Capital.....	£1,548,525 or	\$7,536,153
Reserve Fund.....	£1,970,000 or	\$9,587,005
Reserve Liability of Shareholders.....	£4,645,575 or	\$22,608,468
Deposits.....	£19,143,000 or	\$93,159,259
Total Resources.....	£27,367,180 or	\$133,182,381



Bank Premises, Cape Town, South Africa

Bankers to the Government of the Cape of Good Hope and the British Government in the Cape Colony and Transvaal.

One Hundred and Seventy-eight (178) Branches and 18 agencies in Cape Colony. Natal, Transvaal, Orange River Colony, Basutoland, Rhodesia, British Central Africa and East Africa.

W. H. MACINTYRE
AGENT

55 WALL ST., NEW YORK

Also representing
The Bank of New South Wales
with three hundred and six (306)
branches throughout Australasia,
Fiji Papua (New Guinea).

The Yokohama Specie Bank, Ltd.

Yokohama, Japan

Subscribed Capital, Yen 48,000,000

Capital Paid-up, Yen 30,000,000

Reserve Fund, Yen 17,500,000

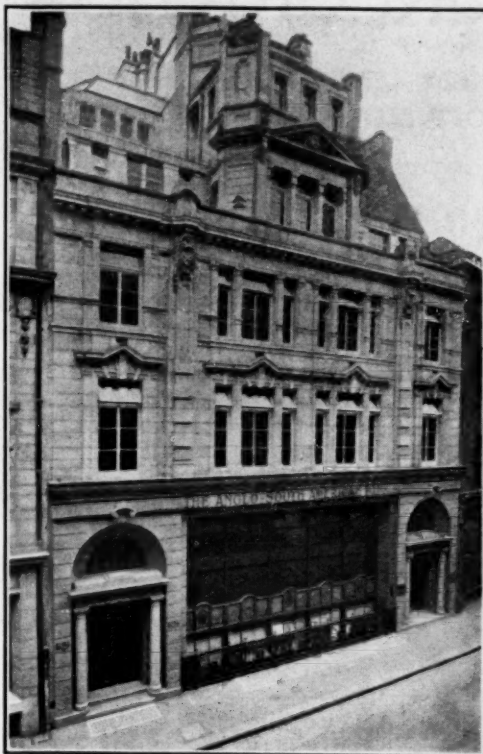


HEAD OFFICE: YOKOHAMA

BRANCHES AND AGENCIES:

Antung-Hsien	Lyons
Bombay	Nagasaki
Calcutta	Newchwang
Changchun	New York
Darien (Dalny)	Osaka
Fengtien(Mukden)	Peking
Hankow	Ryojun(PortArthur)
Honolulu	San Francisco
Hong Kong	Shanghai
Kobe	Tiehling
Liaoyang	Tientsin
London	Tokyo

ANGLO-SOUTH AMERICAN BANK, L^D LONDON



HEAD OFFICES, Old Broad Street, LONDON
Bills on Europe, South America,
Australasia, India and South Africa,
Purchased and Collected.

CAPITAL, (250,000 shares of £10 each) £2,500,000 or \$12,500,000
PAID UP, - - - - £1,250,000 or \$ 6,250,000
RESERVE FUND, - - - - £ 850,000 or \$ 4,250,000

BANKERS:

Bank of England—Barclay & Co., Ltd.—Capital & Counties
Bank, Ltd.—London City and Midland Bank, Ltd.

BRANCHES:

FRANCE: Paris. GERMANY: Hamburg. CHILI: Valparaiso, Santiago, Iquique, Antofagasta, Copiapó, Coquimbo, La Serena, Chillan, Concepcion, Punta Arenas. ARGENTINA: Buenos Aires, Bahia Blanca, Mendoza, Rio Gallegos, Rosario de Santa Fé, San Rafael. URUGUAY: Monte Video.

AGENCIES:

New York (U. S.) - - - - - Oruro (Bolivia)

NEW YORK AGENCY, 60 WALL STREET

H. MACKENZIE, Agent

Also Representing:

NATIONAL BANK OF AUSTRALASIA, LTD.
NATIONAL BANK OF INDIA, LTD.
NATIONAL BANK OF SOUTH AFRICA, LTD.

Chartered Bank of India, Australia and China

Incorporated by Royal Charter, 1853



CALCUTTA OFFICE

Capital (Gold)

\$6,000,000.00

Reserve Fund

\$8,250,000.00

Reserve Liability of
Shareholders

\$6,000,000.00

Total Assets

\$125,141,275.00

Branches in China, Japan, Philippine Islands, Java, Straits Settlements, India and Burmah, and Agencies in all the principal cities of Europe and Australia. Commercial and Travelers' Credits issued, available in all parts of the world. Foreign exchange bought and sold.

Head Office: 38 Bishopsgate, LONDON, ENGLAND

WILLIAM BAXTER, Agent, 88 Wall Street, NEW YORK

HONGKONG AND SHANGHAI BANKING CORPORATION

HONGKONG, CHINA



HEAD OFFICE, HONGKONG AND SHANGHAI BANKING CORPORATION, HONGKONG

THE Head Office of the Hongkong and Shanghai Banking Corporation is located in Hongkong, China. It was incorporated by Special Ordinance of the Legislative Council of Hongkong, in 1867. It has a paid up Capital of Hongkong currency **\$15,000,000**; Sterling Reserve Fund, **\$15,000,000**; Silver Reserve Fund, **\$17,000,000**. Reserve liability of Proprietors, **\$15,000,000**. June 30, 1912, the current accounts (gold and silver) were **\$163,753,499.87** and the fixed deposits were **\$117,785,105.32** and total assets **\$380,791,574.62**.

It has 32 Branches and Agencies in China, Japan, India, Java, Straits Settlements, Philippines, etc., and Agencies and Correspondents in all the principal cities of the world.

WADE GARDNER, Agent
50 Wall St., New York

HATHAWAY, SMITH, FOLDS & CO.

45 Wall Street, New York

Commercial Paper

BOSTON
60 Congress Street

CHICAGO
137 South La Salle Street

ST. LOUIS
408 Olive Street

PHILADELPHIA
421 Chestnut Street

PITTSBURGH
First National Bank Bldg.

MAITLAND, COPPELL & Co.

52 William Street, New York

ORDERS EXECUTED FOR ALL INVESTMENT SECURITIES. ACT AS
AGENTS OF CORPORATIONS AND NEGOTIATE AND ISSUE LOANS

BILLS OF EXCHANGE, TELEGRAPHIC TRANSFERS, LETTERS OF CREDIT ON

Union of London & Smiths Bank, Limited, London
Messrs. Mallet Freres & Cie., Paris
Banco Nacional de Mexico

AND ITS BRANCHES

Agents for the Bank of Australasia, the British Guiana Bank, Demerara, etc., etc.

TRAVELERS' LETTERS OF CREDIT

AVAILABLE THROUGHOUT THE UNITED STATES

The Union of London & Smiths Bank, Ltd.

HEAD OFFICE

2 Princes Street, London, England

	STERLING
AUTHORIZED CAPITAL.....	£25,000,000
SUBSCRIBED CAPITAL.....	£22,934,100
PAID UP CAPITAL.....	£3,554,785
RESERVE FUND.....	£1,150,000
DEPOSITS & CURRENT ACCOUNTS, 30 JUNE, 1912..	£40,386,244

SIR FELIX SCHUSTER, BART.,

Governor.

JOHN TROTTER,

Deputy Governor.

J. E. W. HOULDING,

Manager.

H. H. HART,

Country and Foreign Manager.

H. R. HOARE, Secretary.

The Bank has Branches or Agents in all the principal Cities and Towns in the United Kingdom and Correspondents throughout the world and undertakes the Agency of Country and Foreign Banks, whether Joint Stock or Private, issues Circular Notes and Letters of Credit for all parts of the Continent of Europe, America and elsewhere, effects purchases and sales in all British and Foreign Stocks and Shares, collects dividends on Stocks and Shares and the half-pay of Officers, Pensions, Annuities, etc., and undertakes Executorships and Trusteeships.

NEW YORK STATE NATIONAL BANK ALBANY

Original Charter 1803

Capital, \$500,000 Surplus, \$500,000

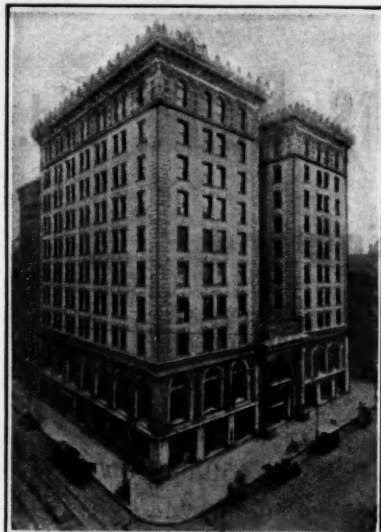
Deposits, \$20,000,000

Direct Service in New York
and New England States



BANK CHARTERED AND BUILDING ERECTED.
1803

LEDYARD COGSWELL, President
HENRY M. SAGE, Vice-President
LEDYARD COGSWELL, Jr., Vice-President
GEORGE A. WHITE, Cashier
WILLIAM BRUCE, Asst. Cashier



COMMERCIAL NATIONAL BANK SYRACUSE, N. Y.

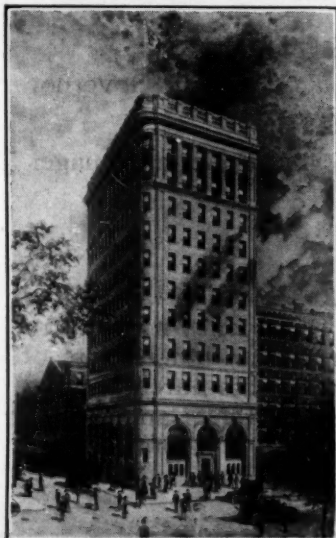
Capital, \$500,000

Surplus and Undivided Profits, \$350,000

HENDRICK S. HOLDEN, PRES. W. A. HOLDEN, VICE-PRES.
GEORGE M. BARNES, VICE-PRES. ANTHONY LAMB, CASHIER

Reserve Depository for State Banks
and Trust Companies

SPECIAL COLLECTION FACILITIES



One Hundred and Twenty Years Old

HARTFORD NATIONAL BANK HARTFORD, CONN.

Capital \$1,200,000

Surplus and Profits 1,100,000

HAROLD W. STEVENS, President FRANK P. FURLONG, Vice Prest. & Cashier
W. S. ANDREWS, Assistant Cashier A. G. BRAINERD, Assistant Cashier

The Strongest National Bank in New England Outside of Boston

ORGANIZED 1850

MARINE NATIONAL BANK

— OF BUFFALO —



THE OLDEST BANK OF DISCOUNT IN BUFFALO AND THE LARGEST
IN THE STATE OUTSIDE OF NEW YORK CITY, WITH CAPITAL AND
SURPLUS EARNINGS OF THREE AND ONE-HALF MILLION DOLLARS
AND RESOURCES OF OVER THIRTY-SEVEN MILLION DOLLARS

This Bank solicits the accounts of banks, corporations, firms, and individuals
Every effort is made by courteous personal attention to give
customers the most prompt and efficient service

— CORRESPONDENCE INVITED —

Third National Bank of Buffalo

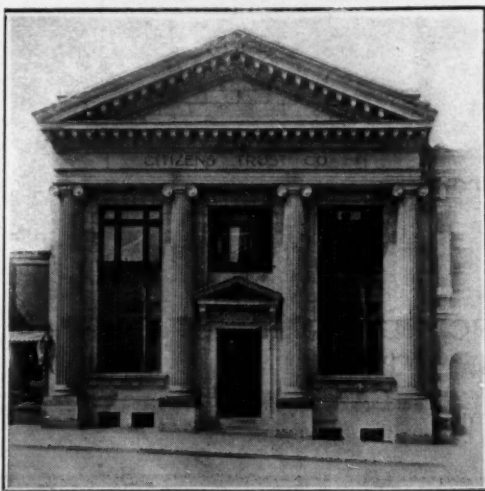
BUFFALO, N. Y.

This institution, in handling the accounts of banks and bankers,
takes pleasure in maintaining reciprocal relations whenever possi-
ble. Our service is prompt and accurate, and terms liberal.
Correspondence invited.

OFFICERS

JOHN W. ROBINSON, President
W. F. HOPKINS, Vice-President
HOWARD H. BAKER, Vice-President

GEO. A. DRUMMER, Cashier
C. J. RITTER, Asst. Cash.
B. C. RALPH, Asst. Cash.



Citizens Trust Company

UTICA, N. Y.

Capital, \$300,000 Deposits, 1908, \$1,700,000
Surplus, 280,000 Deposits, 1912, 5,000,000

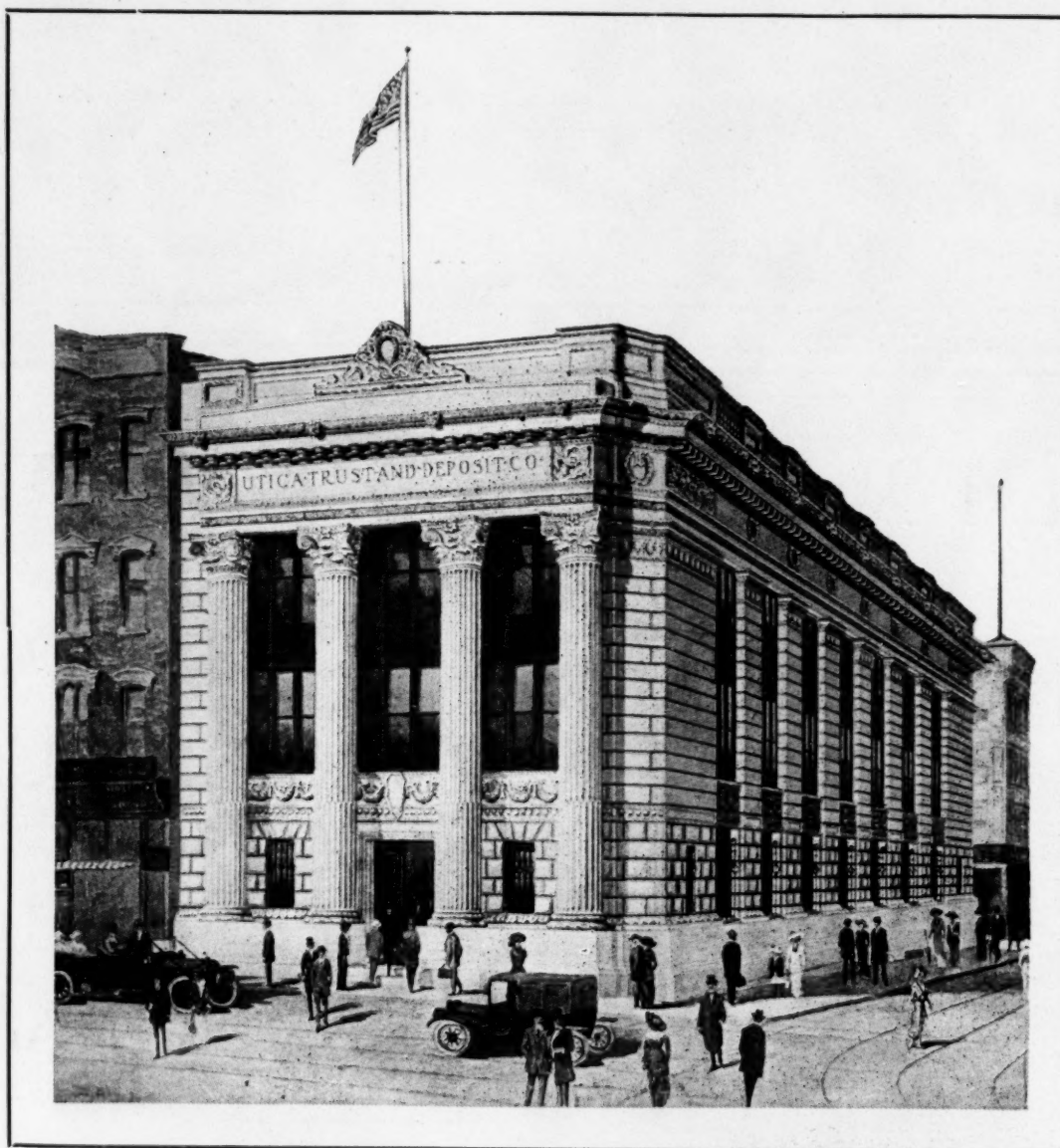
W. I. TABER, President
W. T. DUNMORE, 1st Vice-Pres. F. H. DOOLITTLE, Sec'y.
WM. P. WHITE, 2d Vice-Pres. P. N. HAMLIN, Asst. Sec'y.

Transacts a General Banking and Trust Business
GIVES PROMPT ATTENTION TO COLLECTIONS

UTICA TRUST AND DEPOSIT CO.

UTICA, N. Y.

RESOURCES (over) \$8,500,000



OUR NEW BUILDING NOW IN PROCESS OF CONSTRUCTION

OFFICERS

JAMES S. SHERMAN, President
CHARLES S. SYMONDS, Vice President
CHARLES A. BUTLER, Vice President

J. FRANCIS DAY, Vice Pres. and Sec'y
GRAHAM COVENTRY, Ass't Secretary
CHARLES J. LAMB, Ass't Treasurer

FOURTH AND FIRST NATIONAL BANK

NASHVILLE, TENN.

CAPITAL AND SURPLUS

\$1,900,000.00

DEPOSITS

\$13,000,000.00

LARGEST BANK IN THE STATE

WE OFFER SUPERIOR FACILITIES FOR TENNESSEE BUSINESS

First National Bank ALBANY, N. Y.



CAPITAL and SURPLUS
\$900,000.00

UNITED STATES DEPOSITARY

NEW YORK STATE AND NEW ENGLAND
COLLECTIONS SOLICITED

KEEP PART OF YOUR RESERVE
WITH US

HAYDEN, STONE & CO.

Bankers

BONDS FOR INVESTMENT

We offer for investment a varied list of public service corporation bonds which have been purchased only after thorough investigation.

We are prepared to buy entire issues of public utility and industrial securities suitable for conservative investment.

HAYDEN, STONE & CO.

Bond Department

**87 Milk Street
Boston**

**25 Broad Street
New York**

INCORPORATED 1792

THE NATIONAL UNION BANK BOSTON

Capital, Surplus and Profits, over \$2,500,000 Total Resources, over \$12,000,000

HENRY S. GREW, President
THEOPHILUS PARSONS, Vice-President

OFFICERS

CHARLES P. BLINN, Jr., Vice-President
WM. S. B. STEVENS, Cashier

NEW ENGLAND BUSINESS OF OTHER BANKS SOLICITED

Merrill, Oldham & Co

Bonds for Investment

Lists Upon Application

35 Congress Street

Boston

BAKER, AYLING & COMPANY

Gas, Electric Light, Water Power

BONDS

50 Congress Street

BOSTON

PHILADELPHIA

SPRINGFIELD

PROVIDENCE

HUDSON TRUST COMPANY

BROADWAY and THIRTY-NINTH STREET

(METROPOLITAN OPERA HOUSE)

CAPITAL and SURPLUS OVER \$1,200,000

Accounts solicited on the most liberal terms consistent with conservative Banking

SAFE DEPOSIT VAULTS

ELVERTON R. CHAPMAN, President

LOUIS H. HOLLOWAY, Vice Prest.

JOHN GERKEN, Vice Prest.

HENRY C. STRAHMANN, Vice Prest.

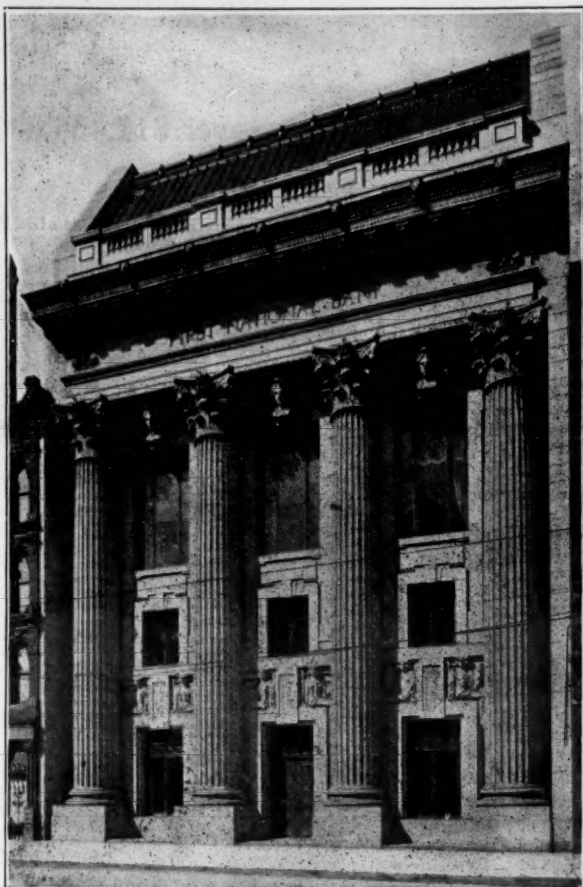
RICHARD A. PURDY, Secretary

COUNSEL

HOLM, WHITLOCK & SCARFF

DEPOSITARY FOR NEW YORK STATE AND CITY FUNDS

FIRST NATIONAL BANK



ORGANIZED 1863

CLEVELAND

CHARTER NO. 7

Capital, \$2,500,000
Surplus, 1,500,000
Deposits over, . 30,000,000

JOHN SHERWIN, President

THOS. H. WILSON, Vice-President

A. B. MARSHALL, Vice-President

FRED. J. WOODWORTH, Vice-President

CHARLES E. FARNSWORTH, Cashier

Invites the accounts of
Banks, Bankers, Firms and
Corporations.

T. W. STEPHENS & CO.

BANKERS

2 WALL STREET, NEW YORK

Stocks and Bonds for Investment

INTEREST ALLOWED ON ACCOUNTS OF CORPORATIONS, FIRMS
AND INDIVIDUALS, SUBJECT TO CHECK AT SIGHT

OTIS & CO.

(SUCCEEDING OTIS & HOUGH)

CLEVELAND

Members New York Stock Exchange

DEALERS IN

GOVERNMENT
RAILROAD

BONDS

MUNICIPAL
CORPORATION

BRANCH OFFICES:

Columbus, O.

Denver, Colo.

Colorado Springs, Colo.

SAFE DEPOSIT VAULTS

A new section of six hundred safes has just been installed. This offers a favorable opportunity for securing special location and sizes. Rentals \$10 to \$200 per annum.

THE NEW ENGLAND TRUST COMPANY

135 Devonshire Street

Boston, Massachusetts

Offers to the Public the Advantages of a Capital and a Surplus of over

\$3,000,000

and a Corporate Succession



OFFICERS

James R. Hooper - - President	George Wigglesworth	Thomas E. Eaton Asst. Treasurer
Arthur Adams - Vice-President	Vice-President	Francis R. Jewett - Trust Officer
Alexander Cochrane Vice-President	Frederick W. Allen - Treasurer	Charles E. Nott
David R. Whitney Vice-President	Henry N. Marr - - - Secretary	Manager Safe Deposit Vaults

BOARD OF DIRECTORS

WILLIAM ENDICOTT, JR., CHAIRMAN

Arthur Adams	Philip Dexter	Franklin W. Hobbs	Henry H. Proctor
Walter C. Baylies	Francis W. Fabyan	James R. Hooper	Herbert M. Sears
Alfred Bowditch	William Farnsworth	David P. Kimball	Lawrence M. Stockton
S. Parker Bremer	Frederick P. Fish	Ernest Lovering	Eugene V. R. Thayer
Timothy E. Byrnes	James G. Freeman	Theophilus Parsons	David R. Whitney
Alexander Cochrane	Morris Gray	James M. Prendergast	George Wigglesworth

A **Depository** for Reorganization purposes.

Authorized to act as executor and to receive and hold money or property in trust or on deposit from courts of law or equity, executors, administrators, assignees, guardians, trustees, corporations and individuals.

Acts as transfer agent for railroads and other stock corporations, and as agent for the purpose of issuing, registering, or countersigning bonds and certificates of stock. Also as agent to register or countersign the bonds and notes issued by counties, cities and towns.

INTEREST ON DEPOSITS

We will receive deposits at any time upon which interest will be allowed on daily balances of five hundred dollars and upward, and on time deposits as agreed.

CHARTERED 1822

The Farmers' Loan & Trust Co.

NOS. 16, 18, 20 and 22 WILLIAM STREET

BRANCH OFFICE, 475 FIFTH AVENUE

NEW YORK

LONDON

15 Cockspur St., S. W.
26 Old Broad Street, E. C.

PARIS

41 Boulevard Haussmann

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STATEMENT OF SEPTEMBER 9th, 1912

RESOURCES

Bonds and Stocks, at market values	\$32,948,969.75
Real Estate	3,626,237.29
Bonds and Mortgages	6,388,949.98
Loans	62,055,098.29
Cash on hand and in Bank	29,018,619.55
Accrued Interest	873,600.80
	<u>\$134,911,475.66</u>

LIABILITIES

Capital Stock	\$1,000,000.00
Undivided Profits	6,570,754.94
Deposits	126,385,719.74
Accrued Interest, Reserved for Taxes, Unpaid Dividends	955,000.98
	<u>\$134,911,475.66</u>

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BANKERS' CONVENTION SECTION

OF THE

COMMERCIAL & FINANCIAL CHRONICLE.

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Vol. 95.

NEW YORK, SEPTEMBER 21, 1912.

No. 2465

THE CHRONICLE.

THE COMMERCIAL AND FINANCIAL CHRONICLE is a weekly newspaper of 80 to 96 pages, published in time for the earliest mail every Saturday morning, with the latest news by telegraph and cable from its own correspondents relating to the various matters within the scope.

THE CHRONICLE comprises a number of added Sections or Supplements, issued periodically, and which form exceedingly valuable adjuncts of the weekly issues.

THE RAILWAY AND INDUSTRIAL SECTION, issued three times a year, is furnished *without extra charge* to every annual subscriber of the CHRONICLE.

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Besides these Supplements, others are published from time to time, like the present BANKERS' CONVENTION SECTION.

Terms for the CHRONICLE, including *all* the Supplements, are Ten Dollars within the United States, Thirteen Dollars (which includes postage) in Europe, and Eleven and a Half Dollars in Canada.

WILLIAM B. DANA COMPANY, Publishers

Front, Pine and Depeyster Streets, New York

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DETROIT—HER MARVELLOUS PROGRESS AND HER FUTURE.

By EMORY W. CLARK, President of the First National Bank of Detroit.

If luck has any bearing on the development of a municipality, Detroit is lucky. By comparison alone with other cities of the same class can the story be told of Detroit's enviable position and her probable future, among the great industrial centers of America. It remained for the Honorable James Bryce, an Englishman, to give to us in the "American Commonwealth" the broadest, most lucid view of our complex institutions. Mr. Bryce has said within the year that Detroit typifies the most ideal conditions of any city on this

continent. Her fifteen miles of water front on our finest navigable river; her broad, clean streets; her park system; her homes; the diversity of her industries; her labor conditions and her citizenship mark Detroit as a city where "life is worth living."

Her growth in the past ten years has been greater than that of any other of our large cities, the increase in population being sixty-three per cent. Ten years ago Detroit held sixteenth place in the value of her manufactured products. In 1911 only New York, Chicago, Philadelphia and St. Louis excelled her. In the value of her product above the cost of raw material she held the same position. In ten years the wages paid to labor more than trebled, the savings deposits in her banks doubled. The capital invested in her two thousand industries increased one hundred and eighty-three per cent.; her manufactured product one hundred and eighty-five per cent. to a total of three hundred and sixty-five millions of dollars; her post-office receipts one hundred and sixty-eight per cent.; her bank resources one hundred and seven per cent. and her clearings one hundred and thirteen per cent. The record of our Clearing House for the first six months of 1912 indicates for the first time in the city's history that the annual clearings will exceed the billion dollar mark. For the first six months ending June, 1912, the clearings aggregated \$531,763,000, an increase over the same period a year ago of \$68,252,000. Detroit's trade with foreign countries has grown from twenty millions in 1900 to forty-nine millions in 1910. The total exports for the fiscal year which closed June 30th, last, amounted to fifty-five millions, as against forty-six millions for the previous year and fifteen millions for 1900. This increase of upward of three hundred and fifty per cent. in the twelve years is one of the straws pointing to Detroit's future as a manufacturing and an export center. It is interesting to note that our chief items of export are pork products.

Much has been said about Detroit's position as an automobile center. It is true that her greatest single product is automobiles and auto

parts, but it is also true that all of the capital invested in her eighteen automobile plants does not equal the market value of the capital stock of one of her great drug concerns, for in the manufacture of drugs she leads the world, as in the manufacture of stoves. Detroit is the greatest shipbuilding center on the Great Lakes, and more tonnage was produced in our lake ports in the decade than on our entire seaboard. Her plants for the manufacture of freight cars are exceeded only by St. Louis. Only four cities lead her in the number of cigars manufactured. Detroit's prominent position in these and many other varied industries preclude the possibility of her dependence on any one of them.

A recent commercial agency report shows that of the \$300,000,000 capital invested commercially in Detroit there are less than \$40,000,000 of this that is associated in any way with the automobile industry, or about thirteen per cent. The rapid growth of this one industry has had the effect of overshadowing in the public mind the many diversified lines which have been growing up all about us.

Detroit's great progress during the past five years, when the country as a whole, and her industrial centers in particular, have shown a hesitating tendency, is too well known to require comment. She barely felt the effects of the panic of 1907. From the first day of January in 1908 her progress has been steadily upward. Each year has added to the strength of her position, and she is too well grounded in conservatism not to have builded well.

What are the factors responsible for this growth? First, I should say, her comparatively ideal labor conditions; organized labor has not been a disturbing element here for the past twenty years; the broad spirit of her civic activities; the potent influence of her Board of Commerce; the encouragement offered capital investments and her desirability as a city in which to live.

The London, England, Board of Commerce recently received the report of a commission which it had appointed to report in detail regarding the industrial conditions in twenty-seven of the principal cities in the United States. This report shows that Detroit is the least expensive city to live in of any of the ranking cities of the United States; on the other hand, Detroit outranks many of the cities in wages paid to all classes of labor. The report shows that Detroit's average citizen spends only \$59 for rent, as compared with the \$100 spent in the same period by the like citizen of New York; \$101 in St. Louis; \$94 in Chicago, etc. The report gives special attention to the working conditions in the Detroit factories, in every case giving high praise, indicating that skilled labor is better cared for here than in any other city in the Union.

Detroit's water advantages are unequaled, and

that these are appreciated by her citizens and by the visitors within her gates is evidenced by the fact that, in 1910, over nine million, one hundred thousand passengers cleared from this port, an average of more than fifty thousand each day during the six months' season. This was more than one hundred and twenty-five times the number clearing from Chicago.

What of the future? Detroit will have her setbacks, as every growing city does, but when the present industrial, economic and political conditions of this country clear, as they surely will, Detroit's position should be a leading one in the progress to follow. In the meantime, the financial strength which has been added each year to her industrial enterprises, because of their successful administration and marked activity, and, furthermore, the fact that the conservatism which has characterized Detroit's course for so many years has influenced her new spirit of development and will continue to do so, should and no doubt will save Detroit from any marked reaction which almost invariably follows such periods of expansion. The Government census taken in 1910 gave Detroit four hundred and sixty-five thousand people, and from the records of the gas and water offices, we now have five hundred and thirty-five thousand.

I should say that Detroit's position to-day is very similar to that of Chicago's twenty-five years ago, when her development for ten years had been so marked as to make its continuance questionable, and yet which proved to be only the beginning of a municipal development which has had no parallel in the history of the world.

THE CONVENTION AND CURRENCY REFORM.

During the past three or four annual conventions of the American Bankers' Association, the currency reform plan has invariably held the center of the stage. Beginning with some rather wide divergence of opinion as to the proper details on which this great problem should be worked out, the Association eventually took its stand, last year, positively in endorsement of ex-Senator Aldrich's published plan in all its details. It is quite natural, therefore, that many of the delegates to the convention at Detroit this year, and many of the readers of that convention's proceedings, should have looked for further action of some sort on the question.

As a matter of fact, the Convention did devote a good part of its time to discussions of the general question. Mr. R. W. Bonyng, of the National Monetary Commission, delivered on Tuesday a speech of much force outlining what ought to be accomplished through currency reform. He properly pointed out that "the three fundamental defects in our monetary system were," he said, "the unscientific treatment of our cash reserves, the rigidity of our entire credit system and the lack of effective co-operation between our banks,"

and that these "are now pretty well understood to be the responsible causes for the many bank panics that have disgraced us in the past and from which all other great commercial nations have been exempt for practically half a century." He further explained in much detail exactly what the plan as it stands would do and how far it would have to be supplemented, as time goes on, with other legislation. Chairman Reynolds of the Association's Executive Council, referring to the legislative situation in regard to currency reform, had this to say:

"It would seem, notwithstanding the labor and attendant expense of the Monetary Commission appointed by the Congress of the United States and the aid extended to the commission by the independent bankers of the country, that the political horizon has not yet sufficiently cleared to expect any modification of the currency laws—so much desired, not only by bankers but by other great business interests.

"Many of us had hoped, in view of the fact that the operation of the Aldrich-Vreeland measure expires in 1914, that some action would be taken by Congress, looking to that permanent reformatory legislation, to which the people are entitled. In this we have been disappointed.

"I fear our legislators have not realized their responsibility in their failure to act. It should be the prime object of the American Bankers' Association to demand and urge remedial legislation along some proper line, and the Currency Commission should be urged to continue the work even though we seem to be laboring under many adverse conditions. I believe the people will ultimately meet the situation in some proper way."

This was not altogether cheerful; but, so far as concerned the attitude of the bankers, Mr. Livingstone, President of the Association, in his presidential address remarked that "the Association should 'stand by its guns' in this important matter, in the fullest sense of the word, and should continue to support the bill as previously recommended, and again go on record as favoring its adoption."

All of these declarations regarding currency reform were well received, and the Convention renewed its own assurance of support. But in regard to resumption of aggressive propaganda at the present time, the Convention appears to have been of a somewhat different mind. It did not endorse the immediate continuance of the aggressive campaign for currency reform based on the Aldrich plan. No vote was actually taken in advocacy of such a campaign and the general result appears to be that the work was allowed to rest in abeyance. The comments of the press (so far as it represented interest in the currency reform plan) have generally been to the effect that the Convention's attitude will act as a chill to the currency reform propaganda, and the fear has been expressed that this inaction at Detroit, taken along with the absence of any reference to the subject in Mr. Taft's speech of acceptance and the negative attitude on the subject taken by Governor Wilson, has set back the movement very seriously.

What is to be said regarding the position in which the currency reform plan is left as a result of this condition of affairs? For ourselves, we cannot say that the passive attitude of the Detroit Convention causes either surprise or regret. Let us suppose that the bankers had not only endorsed the Aldrich plan itself with the unanimity of a year ago, but had insisted upon an immediate and aggressive campaign for currency reform, and on that basis had named an active committee for immediate work towards such an end. One of two results must have followed that action. Either the committee would have met with outright refusal from the campaign managers and speakers (which is probable, in view of the party platforms and the acceptance speeches) or else the issue would have been actually forced into the Presidential controversy.

The first result would have meant public rebuff and open defeat to the plan of currency reform. The second would have presented a wholly new situation. As it stands, the Democratic platform is in form committed against the Aldrich plan. The Republican platform is silent on the subject. The Third Party platform, as we have heretofore pointed out, denounces the Aldrich plan and expresses its desire for government money issues—which may or may not represent a demand for greenbackism of the old-fashioned sort—we do not know which, because none of the party's leaders has referred to the subject since. It would seem, therefore, impossible that advocacy of the Aldrich plan would be obtainable from more than one party, and if it were thus obtained, the quite inevitable result would be to draw upon the plan of currency reform the campaign fire of the other parties.

Let it be observed that the Presidential campaign to date has emphatically shown that this is no time for calm deliberation on economic subjects. It is no time to ask the average voter to take a sober and conservative view of another and a more or less controversial subject in governmental affairs. It is pre-eminently not a time to propose a plan of centralization of banking resources when at least one party, and probably two, are disposed to be active in stirring up public antagonism toward the banking interests of the country. The very multifariousness of the schemes of legislation proposed in the Third Party platform, and the very wildness of the propositions themselves, would make intelligent discussion of the banking reform plan politically impossible. We are in the midst of a confusion of tongues which is hardly likely to reach its end until the election of next November. Currency reform cannot possibly be raised into the leading issue at this stage of the campaign; and as a subordinate and belated proposition for the contest, the chances of impressing it on the public interest could scarcely be helped by any such action at the present time, and might be greatly hurt.

This view of the case necessarily leaves open

the question, What is to be the future of the banking and currency reform plan? What, in other words—even supposing that the advocacy of the subject at this time would be most unwise—is to be expected after the Presidential vote? Our own opinion is that the chances for effective propaganda in this matter would be distinctly better because the subject had been deliberately neglected during the heat of the campaign. There is a certain weariness and sense of surfeit which always overcomes the public mind after election, in regard to the topics on which the three or four months' controversy is waged. Public discussion at such times invariably turns to something new. It is ready to turn to new propositions in the way of governmental reform which have not been worn threadbare in the newspaper leaders and the stump speeches of the contest.

In other words, the public mind will at least be more receptive to the currency reform discussion than it could be at the present juncture. But in the same connection, it must be remembered that the bill proposed and submitted by the Monetary Commission is now in the hands of the banking committees of Congress. It is the only plan which is now formally before them. It has been frankly favored with commendation, on some of its salient points, by the very groups of Congressmen from whom opposition might have been expected. We believe it safe to say that no member of Congress of any influence and intelligence could be found at the present time who would not admit, if speaking frankly, that the Aldrich plan contains at least some proposals which, in justice to his own constituency, he would be bound to favor. More than this, as we have hitherto said, since the Monetary Commission's plan is now the only distinct plan of currency legislation before the country, it must necessarily be the basis for any further formal proposition which the committees will see fit to report to Congress. To these considerations may without much stretch of probability be added the fact that the very large business which seems to be ahead of all sections of the country this present autumn, with the inevitable strain imposed by it on banking resources and currency reserves, will of itself emphasize the needs of a scientifically managed distribution of currency. It is not improbable that the course of events in the banking centers and the money markets during the next

few months will provide an exceedingly useful text for advocates of reform on the general lines of the Aldrich plan.

There has been some criticism of the Convention, based on the fact that it did not at least provide for energetic agitation on the subject after the November vote and before the closing session of the Sixty-second Congress in December. We have no predictions to make as to when the currency plan is likely to come up in Congress. It is possible, of course, that the short and final session of the present Congress which convenes next December will take up and conceivably enact into law the requisite provisions for reform. That is what happened with the Specie Resumption bill, proposed in the Congress of 1874, almost wholly ignored in the platforms of the parties during that season's elections, but placed on the statute books in the early months of 1875. That occurred, notwithstanding the fact that the Congress then in session was holding its final short session before it was to be replaced by a Congress under control of the opposition party.

But the precedent will hardly hold, in view of the fact that the Congress which passed the Specie Resumption Act under such circumstances was largely Republican in both Houses, whereas in the present Congress neither party controls both Houses, and constructive legislation of the sort would be therefore on its face unlikely. We suppose the greater probability to be that the new Congress, which will be elected next November and which will assemble in December, 1913, unless convened before in extra session, will have upon its shoulders the task of currency and banking reform legislation. The question of currency reform can wait, even though delay may be deemed unfortunate. It will at any rate be better to await such developments than to jeopardize the whole campaign by injudicious and premature injection of the issue into the arena of excited partisan politics. What the opinion of the active supporters of the currency reform plan has been, regarding the wisdom or unwisdom of bringing up the discussion during the Presidential campaign itself, we have heretofore pointed out. They have wholly opposed such action by its advocates, from the beginning of the present year. We have no reason to believe that they are disappointed at the present outcome or discouraged as to the chances of the future.

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BANKING SECTION

AMERICAN BANKERS' ASSOCIATION

38th Annual Convention, Held at Detroit, September 10, 11, 12 and 13, 1912

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Banking and Currency Reform.

BY HON. ROBERT W. BONYNGE, Denver, Colo., Member National Monetary Commission.

For many years the American Bankers Association has taken a most prominent part in the nation-wide movement for a reform of our Banking and Currency Laws. It has been the leading topic of discussion at every recent convention of your Association.

Before the creation of a National Monetary Commission, you had appointed a Currency Commission to prepare a specific plan for Monetary Reform. Both Commissions, I am happy to say, co-operated in the arduous task assigned to them. The National Monetary Commission was greatly indebted to your Commission for most valuable aid and assistance in the performance of its duties.

It was pre-eminently proper and wise for the National Monetary Commission to seek advice and suggestions from those who, by long and honorable service as bankers, were best qualified to give valuable aid. It was as natural and proper to do so as it would be to look to the eminent lawyers of the country for suggestions for judicial reform. The members of your Commission freely gave the Monetary Commission the benefit of their practical experience. They were actuated by the patriotic motive of endeavoring to assist in framing a banking system that would be just to all alike and meet the needs of the country. At no time did they evince the slightest evidence of seeking to obtain any selfish advantage. They realized full well that the best banking system for their patrons and for the commerce of the country would be the best banking system for the bankers.

The Monetary Commission was not content, however, to consult bankers alone. They sought suggestions and advice from all students of our monetary problems; from political economists and from men engaged in all callings.

Public hearings at which all were invited to attend and offer suggestions were held in 20 or more of the leading cities of the country. It was thus the Monetary Commission was able to frame a measure, which, in its essential features, has received such unanimous support from students of our banking problems, men of affairs in all vocations of life, and practical bankers and financiers.

During the past five years our Monetary Laws have been subjected to the most comprehensive and analytic study and investigation. Their defects and proposals for their amendment have been discussed in every city of the Union at public meetings and at conventions of commercial associations.

Notwithstanding these public discussions, there is still, unfortunately, a great deal of apathy on the part of the general public in these problems and a woeful lack of understanding of the plan which has, since your last annual convention, been unanimously recommended to Congress by the Monetary Commission. No better evidence of this fact could be afforded than the financial planks contained in the political platforms of this year. Although the Monetary Commission's plan has been denounced in two of them, no substitute has been offered and no attempt whatever has been made by any political party to frame any suggestions for constructive remedial legislation.

The business world is tired of political make-shifts and temporary financial measures. They do not want any more patch-work in remodeling our banking laws. They will not be satisfied with mere denunciation of proposed measures. What they want is relief from the present deplorable conditions. Their demand is for true constructive legislation, based on correct and safe principles, so that the American people may have what their wealth and their intelligence eminently entitle them to, and that is—a banking system that will not by its frequent collapses be a constant menace to the legitimate commerce of the country, but which shall at all times be able to sustain and promote that commerce. Nothing else will be satisfactory. Any temporizing legislation on these great questions will only postpone the day for their final settlement and ultimately make the proper solution of them more difficult. I feel confident that I voice the sentiment of the bankers and of the business people who have given serious thought to these matters, when I say that they would infinitely prefer to struggle along under our present antiquated system, bad as it is, for many

years to come, rather than have some haphazard and loosely drawn legislation enacted at this time. If the country is not prepared now for a thorough and scientific revision of our Monetary Laws, so as to place our banking system permanently on a safe and sound basis, then by all means let us keep up the agitation and the discussion until the American electorate awakens to the situation that confronts us! It is earnestly to be hoped that that time will arrive before we are compelled to go through another financial panic with its inevitable loss to labor and capital.

It is perfectly safe to say that there is no well-informed citizen who believes that our present banking system is at all adequate to our needs. All the political parties, by their platforms of this year, recognize it is inefficient. This, in itself, constitutes some advance, and perhaps we should congratulate ourselves that we have made that much progress. It is not a political question. It never should be treated as a political issue. The people do not and cannot be made to divide upon it along political lines.

The leading defects in the present system are now generally understood. The differences that exist are regarding the methods to be adopted for their correction.

It is unanimously admitted that our present method of dealing with Reserves is both antiquated and costly. Our scattered cash reserves are ineffective for use in emergencies. They restrict the loaning power of banks at the very time when, under a properly organized system, the reserves would and should be freely used and credit liberally extended to all solvent and deserving business men. We compel our isolated banks to adopt measures for their own self-preservation which necessarily intensify, if they do not produce, panic conditions. We force a portion of the reserves of practically every bank in the country and the surplus moneys of all sections to be concentrated in New York City. There, at certain seasons of the year, they can only be profitably employed by being loaned out on call on stock exchange securities.

The plentiful supply of money for call loans tends to promote dangerous speculation, leading to financial disturbances when the cash reserves are again required in the regular channels of trade and commerce. Our method of dealing with the bank reserves is unquestionably more responsible than anything else for the weakness of our banking system.

The need for a bank note currency which shall automatically respond to the constantly changing demands of commerce is obvious to all. The American Bankers' Association and numerous commercial bodies in all parts of the country have, for many years, been demanding that some provision should be made for what has become popularly known as an "Elastic Currency." By many it has been believed that the failure to provide such a currency is the chief defect in our existing Monetary System; but a more careful and analytical study of conditions has demonstrated that it is only one feature of the fundamental weakness that attaches to our entire credit system and which may, in one word, be expressed as its "rigidity."

The experience of the world conclusively establishes that the function of note issue cannot be exercised either by a Government, a Government owned bank or numerous banking institutions without disastrous results. With the exception of Russia, every first-class power has ceased to issue credit currency, either directly or through a government owned institution. Those who contend that the issuance of currency is fundamentally a government function, fail to draw any distinction between money of ultimate redemption with full legal tender power and credit currency, which is only a promise to pay lawful money. They also overlook the fact that the most important and most elastic currency of the United States and of Great Britain is the deposit currency, issued by the people themselves, by checks drawn on their

deposit accounts. The Government may and should, in the public interest, regulate the issuance of bank note currency, provided the basis upon which it may be issued and the agency or agencies to issue it. But if the monetary experience of the world proves anything at all, it is that a currency issued directly by the Government or through a Government owned institution never has and never can, from the nature of things, be made responsive to business conditions. Its amount is and must be determined by statutory enactments which are inflexible. Statutes cannot be altered to meet constantly changing business conditions. The result is that a currency issued by a Government is always dependent upon the government's financial needs rather than business requirements. It expands, but seldom contracts. Our own experience with the greenbacks ought to satisfy us on that point. Some agency, properly constituted, under government supervision and regulation, must, consequently, be created to exercise, in the people's interest, this important function.

At the present time we have only local banking institutions. They are indispensable to our development. But it is equally necessary that we should have some financial organization of a national character to represent us nationally and internationally in matters affecting the credit and standing of the United States as one of the great financial powers of the world. That organization should also be given the necessary powers and functions to insure effective co-operation between our many thousand isolated banking units for their own mutual protection and the utilization of our numerous banking resources.

The three fundamental defects in our Monetary System are, then, the unscientific treatment of our cash reserves; the rigidity of our entire credit system, and the lack of effective co-operation between our banks. They are now pretty well understood to be the responsible causes for the many bank panics that have disgraced us in the past, and from which all other great commercial nations have been exempt for practically half a century.

The urgent necessity for some kind of co-operation between the banks of different localities, for certain purposes, has naturally led to the formation of clearing house associations. They now number 242. They are all voluntary associations. Their manner of organization, including the admission of new banks to their privileges, the selection of their officers and managers, the power and functions to be performed by them—are all regulated, not by statutory provision, but entirely according to the by-laws and constitution adopted by each association. As new conditions from time to time have arisen, requiring co-operative action on the part of the banks, these clearing house associations have, through a natural process of affiliation, extended their field of operations. They have now become institutions without which our commerce could with difficulty be conducted. They have rendered in the past invaluable services, not only in fostering trade, but in furnishing aid and assistance in times of emergency. But they have never been able, because of the lack of necessary legal power and of proper organization, to prevent periodical suspensions by the banks of cash payments. Their greatest services in such emergencies have been in mobilizing temporarily the resources of their members, and thereby tiding the business of the country over until the financial storm had spent itself. Notwithstanding the eminent services these associations have rendered, their right to exercise some of the powers they claim has been gravely questioned, and has recently been the subject of investigation before a Congressional Committee known as the "Money Trust Investigation." The regulation by the New York Clearing House of collection charges on out-of-town items, and the suspension of banks from the association who violate the established rule has been questioned as being in restraint of trade and a violation of the anti-trust law.

It has been argued that their ability, under their rules, to refuse a bank clearing house privileges enables them to keep any group of men out of the banking business in New York City because, without clearing house privileges, successful banking in New York would be impossible. It is said that they thus exercise the power of life and death over the banks. However wisely these powers may have been exercised in the past, the fear that they might at some time be improperly used is giving rise to a demand that a certain part, at least, of the business of clearing house associations should be regulated by law. Few, if any, contend that some form of affiliation between the isolated units of our banking system is not necessary. The very existence of the clearing house associations, the functions they perform and the services they have rendered to the business of the country all abundantly and conclusively establish the absolute necessity for some legal form of co-operation for certain designated purposes between our isolated banking units. The method of creating that agency or institution, regulating who shall be entitled to membership in it, and upon what terms, what privileges therein membership will confer, the manner of selecting those who are to manage its affairs, so as to give every section of the country and every legitimate industry some voice in its management, insuring its operation absolutely free from control for sectional or selfish purposes, defining strictly its powers and functions, and how and under what circumstances they may be exercised, and giving to the government, through adequate representation upon its board of directors, the fullest and freest opportunity for supervision of its affairs and management, should and must be provided by statutory regulations.

These are among the objects sought to be accomplished by the creation of the proposed National Reserve Association. By its establishment, we would have an institution under government regulation and supervision, which could safeguard our cash reserves and make them available for use; issue and furnish a properly secured and safe currency that would automatically expand and contract in response to business requirements; act as fiscal agent of the government; keep the government's working balance in the channels of trade; insure co-operation of all the banks in the public interest and enable them to utilize our enormous banking power. These objects are all admittedly desirable of attainment, and it is contended that they cannot be secured except through some similar co-operative agency as that proposed by the creation of the National Reserve Association.

The plan in concrete form for its creation has now been before the country for nearly a year. During that time very few objections to any of its essential or fundamental principles have been advanced. There have been strong objections urged to some of the details of the plan by a few economists and bankers of undoubted ability, but no other or different plan in concrete form has been suggested by anyone that has received any serious consideration. There are some who still refer to the Reserve Association as a central bank, although there is no more similarity between the two than there is between a clearing house association and a bank. Both have something to do with the banking business, but there their similarity ends. The field of operations of each is clearly marked and distinct. A central bank, as it is understood in this and every other country, is an institution having branches throughout a given country, each engaged in a general banking business, receiving deposits from the people at large as well as from other banks, making loans to individuals and to corporations, acting as the government's fiscal agent and usually having the power of bank note issue. Such have been all the central banks that have ever existed either in this or any foreign country or which now exist. The proposed National Reserve Association radically differs from all such institutions in the very important respect that it

is not to engage in the general banking business. In fact, in that sense it is not a bank at all. Neither it nor its branches are to compete with State or National Banks in any field of operations in which they are now engaged; it is simply to be an affiliation or union of all the eligible banks of the country to perform for them and under statutory provisions, and through officers and managers—whom they will select—certain necessary duties and functions that can only be performed by some organization of a national character. It is to have branches with local self-government to represent smaller subdivisions of the country. It would act as the government's fiscal agent, and as the custodian of a part of the reserves of its members. To it would be confided, under governmental supervision and regulation, the power of bank note issue. We would thus secure all the benefits to be derived from the organization of a central bank without any of the disadvantages which made the old First and Second Banks of the United States unpopular and finally led to their overthrow. We would have an institution built upon American Democratic principles and modeled absolutely upon our political institutions. But it is said that the proposed machinery is complicated and cannot be easily understood.

The difficulty in understanding the plan of organization of the Reserve Association, I have found, has been easily removed by comparing it to our governmental organization.

It is proposed that all banks of the country coming up to the prescribed standard established should be entitled to become members of the Association. They would become members by subscribing to its capital stock. The capital would be a flexible amount and would grow with the increase of banking capital in the country. Each eligible bank would be entitled to subscribe for an amount of the capital stock of the Association based upon the capital of the subscribing bank. There would be no other stockholders than the banks of the country and no one bank could subscribe for more than its allotted proportion. The stock would, therefore, be as widely distributed as the banking capital of the country. The whole plan is built upon maintaining the independence and integrity of the individual banking units. To secure that end most drastic provisions have been made to prevent the stock of the Reserve Association passing under the control of any individual or group of individuals. It is to be non-assignable. It cannot be sold or hypothecated nor can control of the stock of the Association be acquired by the ownership of a chain of banks because it is provided that if a series of banks are owned by the same person or persons, that then each of those banks in the series should not be entitled to separate representation in the Reserve Association, but that all such banks for voting purposes should constitute only one bank, and vote accordingly.

After the different banks of the country had purchased their proportionate amount of the stock of the Association, the subscribing banks of a certain limited territory would first be grouped into what is termed "Local Associations." Each of such associations would be required to have at least ten banks with a minimum capital of five million dollars. The local association would have local self-government through boards of directors to be chosen by the banks composing the local associations. The local associations would, therefore, be formed much in the same manner as cities and towns are united to form counties.

The local associations would then be organized into what is termed "District Associations," exactly as the counties make up the States of the Union. There would be 15 such associations in the country at large. Each would be organized around a commercial center or city, and all territory naturally tributary to such city would be included in the District. The different local associations within that territory would constitute the district

association. The unit for the district would thus be the local association. Each district association would have chosen by the constituent local associations. In each district there would be a branch of the Reserve Association having for that district, all the domestic powers of the Reserve Association.

To secure the equal advantages of the Association for all parts of the country, it is provided that there can be only one such district association in the New England States; two in the Eastern; four in the middle Western; four in the Southern and four in the far Western and Pacific States.

The National Reserve Association would be composed of the 15 district associations and would have its head office in Washington. The unit in the case of the National Association would be the district associations. The National body would have its own board of directors to be chosen by the District Associations, except the seven ex-officio members consisting of three cabinet officers, the Comptroller of the Currency, the Governor, and the two Deputy Governors of the Reserve Association.

The parallel, therefore, between the plan of the organization of the Reserve Association and the manner in which our political subdivisions are created and then united by progressive steps from the city to the county, the county to the State and the State to the Nation, is complete and perfect. One is no more complex than the other, and in operation it is safe to assume that the affiliation of our banks on a plan modeled upon our political subdivisions would work as smoothly as our governmental machinery.

The plan of organization is certainly democratic and American in its scope and character.

The methods suggested for the election of the Boards of Directors of the different organizations composing the Reserve Association is conceded to be novel and at first may appear to be somewhat complicated. The ends sought to be accomplished are to provide self-government for these different bodies, to secure boards of directors fairly representative of the different sections of the country, and of the industrial and commercial interest of all sections, and to keep the boards free from political and financial control or domination. The method proposed gives to each bank, large or small, in the local association, which is the initial organization upon which the Reserve Association is built up, an equal voice in the selection of a majority of its board of directors. A minority representation is provided on all the boards for the stockholding interest based upon the amount of stock owned in the Reserve Association. The commercial, agricultural and industrial interests of each district and of the nation is to be represented upon both the district and national boards by men actively engaged in business, but not associated as officers or directors of banks or financial institutions, and finally the national government is to have its own representatives upon the National Board. If all these desirable objects can be secured by any simpler method than that suggested, I am sure the change would be gladly welcomed. But I am convinced personally that the more the method provided in the Monetary Commission's report is studied, the more it will gain favor and the more patent it will become that the method is no more complicated than conditions make necessary.

The chief powers to be exercised by the Reserve Association are to act as custodian for a portion of the Reserves of the independent banks, to discount for member banks the short time commercial paper held by them, to act as the government's financial agent and to furnish to the country a currency that will fluctuate in amount in response to business requirements.

I fully realize that in addressing this Association it is not necessary for me to enter into a detailed explanation of the manner in which these important powers are to be

performed or the great advantages to the real commercial interests of the country that would result from their exercise. All bankers are in practical accord upon these points, although there are differences as to the methods that should be adopted to accomplish the desired results.

There are a good many bankers in the smaller communities, particularly in the agricultural sections, who fear that they might not have a sufficient amount of the class of paper entitled to rediscount at the Reserve Association, or its branches, to make the Association any great aid to them. But they are beginning to understand that no right or privilege of any kind is taken from them by the organization of the Reserve Association. They still would be entitled to use any of their assets as collateral with their correspondents. It would supply them with an additional place where they could go for assistance in case of need. All of them would have some of the class of paper that could be used at a branch of the Reserve Association. That they could use these and still have the right to use any of their other assets with their correspondents. The difference to them would be that their correspondents would be at all times equipped to take care of their wants. Their correspondents would always be supplied with a large amount of the class of commercial paper that could be utilized by the Reserve Association, thereby increasing their reserves and their loaning ability, and thus enabling them to accommodate the country banks. In turn, the country banks would, in this way, be enabled to increase their loaning ability so as to take care of their individual customers. Thus the benefits to accrue from a standardizing of commercial paper and widening the market for it would reach out to every person engaged in any gainful occupation, and would include all elements of our population—the wage-earner, the employer, the farmer, the merchant, the manufacturer and the professional man.

One of the most difficult problems presented to the Monetary Commission was to devise a plan for the retirement of our present bank note currency and the two-per-cent U. S. bonds upon which they are almost wholly based. The plan proposed guards and protects the interests of the government and of the banks, and seems to have stood the test of critical examination.

Fear has been expressed in some quarters that the issuance of bank notes based in part upon commercial paper or government bonds and the counting of these notes by the individual banks as a part of the Reserves, taken in connection with the right of the banks to accept drafts drawn upon them and to rediscount them at the reserve association, would lead to an undue expansion of credits. It is confidently submitted that the strict requirements as to cash reserves and the extensive and plenary powers conferred upon the Association to protect the cash reserves, renders the danger of over-expansion very remote. The most effective means of preventing the evil of over-expansion will be found in this, as in all other countries, to consist in the ability of the management of the Association to regulate credit conditions through the discount rate. It is immaterial how sound the law governing a bank may be, if the management is incompetent it cannot operate successfully. In other words, the efficacy of every law rests with the officers who execute it. Every human institution must depend to a large extent in the last analysis upon the men who are to manage its affairs. The necessary powers to protect the reserves of the Association are conferred upon the managers, every precaution which the experience of the world has demonstrated to be wise in guarding against the abuse of credit has been adopted, and the greatest care to see that only competent officials are selected to control its affairs have been employed, and that is as far as the law can go.

It must ever be remembered that the Reserve Association is planned to meet the commercial needs of the country. It will not nor is it contended that its estab-

lishment would fulfill all our financial requirements. We should have agricultural credit institutions and banks that engaged in furnishing capital for the development of our different industrial enterprises. They should be as they are in other countries, particularly Germany and France, separate organizations, and should be clothed with other and different powers to meet the legitimate needs of industry for long time investment. The establishment of an institution to provide for our commercial needs will inevitably pave the way, as was the case in foreign countries, for the creation of other banking organizations especially designed to take care of our other financial necessities.

In view of the action taken at the last Annual Convention of this Association, endorsing the fundamental principles of the plan which was later recommended by the Monetary Commission, I do not feel it incumbent upon me to delay you longer with an argument in its favor. I believe you are more interested in considering what steps can be taken to secure favorable action upon the plan or on some equally efficient measure for the sadly needed reformation of our banking and currency systems.

It has been my pleasure, during the past year, to address many commercial associations in a great many of the States of the Union upon this important topic. It is my firm conviction that we have no reason to be discouraged. The cause of Monetary Reform is steadily gaining ground among all thoughtful citizens. There is no use, however, in disguising the fact that there is an

enormous amount of prejudice and apathy on the part of the public, which must be overcome before we can hope for practical results. But this Association, the National Citizens' League, and other bodies, as well as individuals, are doing yeoman service in that regard, and the effects of the campaign will undoubtedly be manifested when a Bill comes before Congress for actual consideration. It may be several years yet before the country will be ready for a full and scientific remodeling of our antiquated banking system, but this Association and the business men of the country who have enlisted in the cause cannot now abandon it. This is the accepted time to continue the campaign of education. It should be our constant effort to point out and make clear to the public the underlying defects of our present system and the essential principles that must be incorporated in any remedial legislation.

The American people are frequently slow to be aroused, but when they are they have a habit of acting speedily and decisively. With the progress that has already been made and with the united and consistent efforts of all who realize the transcendent importance of a wise solution of these problems, we may reasonably hope that in the not far distant future the United States will have a banking system that will no longer cause it to be known among the powers of the earth as a "Financial Nuisance," but which shall be not only a credit to us, but shall likewise be adequate to the needs of the present and of the marvelous material advancement that awaits our people.

Education and Agricultural Development.

By ANDREW M. SOULE, President of the Georgia State College of Agriculture, Athens, Ga.

The subject matter considered under this caption may be divided into four sections: first, Is there need of extension teaching in agriculture? second, What should extension teaching include? third, Suggestions for the organization of the work along efficient lines; fourth, Some data with reference to the progress and results attained by this method of instruction.

THE NEED OF EXTENSION TEACHING.

The present condition of our agriculture is unsatisfactory. It is evident to the most casual observer that a great depletion in soil fertility has taken place in recent years; nor has the malpractice in this direction been arrested. The progress of a nation depends upon soil conservation. It is the one primal and inexhaustible source of wealth when rationally managed. Upon its successful manipulation depends the social, educational and industrial attainments of the people who own and operate it. An appreciation of its deficiencies, methods of overcoming these in an economical manner, and the power to maintain the soil in a highly productive condition constitute the fundamental and constructive factors upon which our whole social and industrial fabric rests. If any means may be devised by which knowledge affecting the soil may be obtained and placed before our land owners which will enable them to maintain high yields, and at the same time increase the productiveness of their soil and reduce the cost of making their crops, it will subserve the interests of the nation more efficiently than anything else which may be suggested at the present time.

The yields per acre of our farm crops have fallen to an alarming degree and this in spite of the sporadic efforts made here and there to maintain or increase yields on the part of the farmer by the use of various soil amendments. The situation is therefore one of national concern, and the importance of the case cannot easily be

overstated. Cheap and abundant raw materials furnish the basis of all industries, and the time is now at hand when the stimulation of production along more economic lines than have been followed becomes essential to the welfare and permanency of our industries. From this it should not be concluded that the farmer is expected to raise his crop and sell it at non-remunerative prices. Far from it. There are, however, two viewpoints of production which must always be kept in mind. One is increasing the yield at a greatly reduced cost; the other is lessening the yield and selling at an unusually high price. The one method does not benefit the farmer any more than the other, yet limited production and high prices tend to stifle industry, and to make the cost of living prohibitive for those who live away from the land. On the other hand, the lack of system and definite business methods on the farm have resulted in driving a large percentage of what formerly constituted our agricultural population into congested areas of the towns and cities, and has brought about a condition of serious moment to the welfare of the country. In other words, the crowding of the former agricultural population into the city has left the farms undermanned, and with an insufficient supply of labor to operate them satisfactorily in spite of all the aids to cultivations which inventive genius has brought about in the development of labor-saving implements and devices. If there had been a more general appreciation of the soil, it is possible that under more intelligent systems of management the change of population from rural to urban witnessed in the last quarter of a century and the present degree of unrest brought about by the present high cost of living would have been obviated.

With such knowledge available thousands of persons who have seen the value of their holdings depreciate would easily have paid off the mortgage, established a

savings bank account, educated their children, improved their homes, and become more valuable and successful citizens from every point of view.

There is much talk at the present time of the movement back to the land. The great need is to point out to the land owner, and to the boy and girl living in the country, the possibilities of farming where scientific policies are inaugurated, and when this is done the urban movement will have been checkmated. The nation is about to lose its economic equilibrium unless the cityward movement is retarded. Could any more crucial situation develop than this? The magnitude of the issues involved has not been appreciated as it should be, or else a greater effort to stem the tide and rehabilitate rural conditions would have been made before this late date. There is now a lack of cohesion among the rural population and no spirit of co-operation in the true sense of the word. Under the conditions buying and selling is not carried on satisfactorily and low prices continue to dishearten the farmer. Without social or business organizations to protect and inspire him, he loses interest in his business and drifts away from the land.

Farmers obviously need help in many directions, and it is essential that it be brought to them as quickly as possible and in the most acceptable and easily understood manner. One who has given any thought to the situation realizes at once that scientific knowledge as affecting the problems of the farm has entirely outrun practice. Agencies have been developed for the last half century which through research have discovered a wide array of facts which put into practice would revolutionize farm production, and make it possible for the farmer to dominate nature in a hundred ways where she now dominates him because of his lack of technical information relating to his business. The oft-repeated suggestion that an agricultural revolution may be brought about is not a myth of the imagination, but one of the facts now as well demonstrated as man's mastery of electricity; but in spite of all that is known or appreciated concerning this matter, but little has ever been done to put the knowledge which is to bring about this desirable result in an acceptable form within the reach of those who must possess it if the end sought is to be attained.

WHAT SHOULD EXTENSION TEACHING INCLUDE?

An intelligent consideration of the subject matter under this caption calls for a definition of what extension teaching may properly include. The term is difficult to define because of the variety of subjects embraced. Generally speaking, it may be regarded as a method of disseminating information on all topics related to agriculture in the broadest sense of the word to those who are non-resident at an agricultural college and not in position to avail themselves of the course offered therein. The stupendous nature of this task is not and has not been appreciated up to this time. The word stupendous is used advisedly, for extension teaching as defined above proposes to convey definite knowledge to the people of the whole State. It is the one method which suggests itself as capable of enabling the agricultural colleges to reach the masses of farmers more or less effectively. It is certainly vital to the interests of the people and of the institutions which attempt to serve them. Surely, it is the logical method, for truth must be discovered and established through the researchers of our agricultural colleges and experiment stations before it can be disseminated, and the present demand made upon such institutions for service by the people of the several States indicates that they will of necessity have to undertake instructional work of this character.

This plan contemplates that the agricultural colleges shall become a clearing house for all those activities which are calculated to advance country life. The diversity of subjects embraced under the term agriculture and the various interests to be served suggest at once the

organization of extension work along a number of definite lines. Some systematic instruction may naturally be undertaken, but much of the work will be of a more or less informal nature. Under systematic instruction may be included what is known as the extension school, which undertakes, as its name shows, to carry on definite instructions along certain lines into a given community for a period of three days to a month. This is probably one of the most efficient forms of extension teaching which can be inaugurated in any State.

The experimental farm or definite soil test area will follow next in importance. It should be laid down on a well-defined type of soil which covers a considerable area of one or more counties, and an effort should be made to ascertain through physical and chemical examination of the soil its main defects, and how these might be supplied most economically to increase the yields.

Correspondence courses would be found helpful. The instruction in this instance is based on outlines or syllabi furnished those enrolled. The lecture and reading course will also be found helpful in many communities. In other instances study clubs may be formed, and last but not least under this division would be ranked the work of the boys' and girls' clubs.

Under the head of informal teaching may be grouped a great variety of agencies. Of these probably the most efficient is the farmers' institute, an old and well-established organization which has served as one of the main factors for the dissemination of such agricultural knowledge as the farmers have received up to this time. Then would come the farmers' week generally arranged for at the Agricultural College. Conferences of one kind and another may be arranged either at the college or in various local centers. The occasional lecture would come under this head.

Under object lesson teaching may be grouped the farm demonstration work, the special train, the fair exhibit, and the educational excursion. Publications will occupy an important place in the extension service, and should include the press bulletins sent out weekly or monthly, the leaflet or agricultural periodical, series of popular bulletins, and traveling agricultural libraries. These include some of the more important and definite ways in which the extension service would attempt to serve the needs of its constituency.

SUGGESTIONS FOR THE ORGANIZATION OF THE WORK.

The nature of the work involved makes it apparent at the outset that it must be carefully organized and efficiently manned where effective service is contemplated. The men chosen for this line of work must be leaders in their respective fields; experts in fact and reality. There was a time when the college man might not have been in as close touch with the farmer as was desirable, but a marvellous change in this respect has lately taken place; so recently in fact that many leaders in extension work have not yet fully realized it.

In the administration of the work it will be well to have an executive secretary or a director of the extension service with a staff of men and clerks under his control. This constitutes the nucleus for the organization and direction of the work. The experts needed in agronomy, horticulture, animal husbandry, agricultural chemistry, etc., will be delegated from the members of the specialized staffs of these departments by the heads of the same on request of the extension director. By this method of organization departmental integrity is preserved and every man is not only brought in touch with the college and the student body, but with the people of the State as well. This interchange of knowledge and experience gives variety and facility to the work, and enables every man employed in the institution to engage in extension work in an acceptable manner without injury to his college duties.

The number of men employed in a State will naturally

vary with the appropriation, and, of course, the organization must be adapted to meet local needs. The nature of the task involved makes it clear that liberal appropriations are essential for carrying on the work satisfactorily. These suggestions relative to the organization are made as the result of several years' experience in this line of endeavor.

In organizing extension work within the confines of any State, the college should, of course, undertake to establish a satisfactory relationship with all other agencies at work therein. These agencies may include the Experiment Station, the State Department of Agriculture, farmers' institute organizations, normal schools, district agricultural schools and the U. S. Department of Agriculture. A co-operative plan of work can generally be arrived at which will be satisfactory and enable all to work together in harmony and with greater success than if they endeavored to operate independently. The number of agencies to consider and the relationship which they shall bear to each other, and the nature and extent of the work undertaken by each can only be properly determined by a knowledge of the existing local conditions. An attempt to offer specific suggestions along this line is therefore both impracticable and inadvisable. New alignments and adjustments will of necessity have to be made from time to time, and this will necessarily be true of any new work of such a comprehensive nature. There is no reason for discouragement in this direction, however, for the task will not be more difficult than that faced by those charged with the organization and establishment of the agricultural colleges and experiment stations in the several States within the last half century.

Naturally, the center of extension teaching in a given State must be the College of Agriculture. This is the only institution in existence at the present time with the local specialized knowledge necessary to carry the work on effectively. It is a personal work and cannot be carried on at long range or by those unfamiliar with the people and the conditions to be remedied. While some general principles might hold good over wide areas of the country, the crops, soils and seasonal conditions existing in the different sections of a given State are at wide variance, and advice of real benefit to the farmer can only be given by those who have traveled extensively in the State and studied the accumulated data gathered through the researches carried on by such institutions. It would be suicidal to attempt to carry the work on in any other manner. This is the conclusion reached by all men capable of judging the situation with accuracy.

PROGRESS AND RESULTS OF THE WORK.

While the public has not yet realized the all-important nature of extension teaching so far as agricultural topics are concerned, the work has already made remarkable progress. Six years ago practically nothing had been done along this line save the organization of farmers' institutes. Now there are extension departments in more than thirty States, employing several hundred men as specialists. In nineteen States alone more than one million people were reached through this agency in 1910-11, with an appropriation of \$387,000.00. In 1911-12 more than \$562,000.00 was appropriated by thirty-five States for work of this character, and growth in this direction has just commenced. It is quite evident from these figures that every State college of agriculture will have a well-organized extension department within a short time, and that the appropriations for this work will amount to several million dollars in the aggregate, and many million farmers to be reached in a manner which will insure an increase in their efficiency as producers. It is now conceded that the agricultural colleges and experiment stations have had a marvelous influence on the economic development of the United States. It is quite certain that the service which these institutions have rendered up to the present time is to be greatly magnified through the development of their extension teaching facilities.

In justification of this position, it is only necessary to cite briefly what has and is being accomplished along this line in Georgia. The first extension work authorized by the State was commenced two years ago with an appropriation of \$10,000.00 per annum. In 1911 the work had become so popular that the legislature appropriated \$45,500.00 for each of the years of 1912 and 1913. The work undertaken in the years of 1910 and 1911 included the holding of itinerant or traveling schools, farmers' institutes, teachers' institutes, miscellaneous meetings for farmers and teachers, the organization of fruit and truck societies, and boys' corn clubs and girls' canning clubs. Educational trains have also been operated. In all in these two initial years of work 444 meetings were held, attended by 76,663 people; the distance traveled was 126,639 miles. Including the train service, more than 758 meetings were held, attended by 576,633 people, while the distance traveled aggregated more than 178,517 miles.

With the larger appropriations now available all lines of work already in existence have been greatly expanded, and many new lines inaugurated. The popularity of the work grows with leaps and bounds. For instance, the 19 extension schools held in 1912 were attended by 4,420 persons. These schools lasted for four days each and were scattered over the State, so that a large territory was effectively covered. Twenty-one carefully systematized lectures were given at each of these points, a syllabus being furnished free to each person enrolled. It was both an interesting and inspiring sight to see from 50 to 500 farmers in constant attendance on these schools. The benefit which the discussion of this systematized knowledge in these communities is to confer in the immediate future cannot be estimated in dollars and cents. It is quite evident that the extension school has become a permanent factor in the scheme of agricultural education in Georgia.

Farmers' institutes were held in 103 out of the 147 counties in the State in 1911 with an attendance of 21,870 persons. Already this year 74 miscellaneous farmers' and teachers' meetings have been held, attended by 6,000 persons. Boys' corn clubs have been formed in 123 counties with a total enrollment of approximately 8,000. Girls' canning clubs have been organized in 23 counties with a total enrollment of approximately 2,000. Girls' clubs would easily have been formed in twice as many counties had funds and workers been available. It will be seen that in association with the school authorities of the State and U. S. Department of Agriculture, the College is reaching out and influencing the future welfare of more than 10,000 Georgia boys and girls. The greater efficiency in production which the members of the club organizations have shown and the new point of view which these young people are acquiring are among the least of the benefits which this work is conferring upon those who will presently be charged with the responsibilities of organizing and directing the affairs of the State of Georgia. In all 479 meetings have been held, 98,478 persons reached and 81,761 miles traveled within the past twelve months, a statement which conveys but feebly some idea of the interest which the people of the State are taking in some phases of the extension work as now conducted by the College.

New lines of activity which have been taken up the present year are the soil test areas. This work is being carried on by the department of agronomy and agricultural chemistry. Nineteen acres of land in as many distinct soil types are devoted to the work. A systematic rotation is being established on these soil areas in association with fertilizer test plats. The chemical department is determining the apparent deficiencies in these soils, while the department of agronomy is supervising the planting and harvesting of the crops. Next fall more definite information concerning Georgia soils will be available for the guidance of her farmers than has ever existed before. Requests from many counties to undertake work of this character have been declined because of insufficient funds.

In addition, the College of Agriculture, in association with the Bureau of Soils of U. S. Department of Agriculture, is undertaking to make a physical survey of various counties in the State. The chemical department is also making analyses of every type soil found in each county surveyed. It is expected to expand and develop this work until the whole State is covered, and thus place at the disposal of the farmers the most definite and accurate knowledge concerning their soils which science can obtain for them. The value of the work of this character systematized and carried on for a series of years cannot be judged correctly by the present generation, but it means to develop Georgia's agricultural practice along definite economic lines in the near future.

The importance and need of this class of work can be better appreciated when it is stated that between \$25,000,000 and \$30,000,000 is spent in the State each year for commercial fertilizers.

Anthrachnose of cotton causes a loss of about \$10,000,000 annually to the State. The department of cotton industry several years ago undertook to develop a strain of cotton which has been named Sunbeam, resistant to this disease. It was distributed to farmers in twenty-one counties in 1911, and proved itself to be disease-resistant. It will be cultivated on about 40 acres of land in each one of these counties in 1912. In addition seed has been sent from the College to 38 other counties this year. The progress attending the work in the past indicates that in the near future this strain of cotton will be so widely distributed in the State that the disease of anthrachnose may be successfully held in check. Pullnot is one of the standard varieties of cotton grown in many sections of Georgia. The following data concerning its performance in our demonstration field are of interest. It takes 68 bolls to make a pound; the staple is fifteen-sixteenths of an inch in length; it shows 38 per cent of lint, and the yield in 1911 was 1980 pounds per acre. Sixty bolls of the Sunbeam cotton make a pound; the staple is $1\frac{1}{8}$ inches in length; it shows 42 per cent of lint; and the yield in 1911 was 3760 pounds. The possibilities of the service to cotton growers of the State through this line of extension development are unlimited.

Georgia is celebrated as a truck, peach and pecan

State. There are many diseases and troubles afflicting these crops, however, and the horticultural department has undertaken to establish eleven test areas in the State for the study of these particular diseases, and it is believed that this department will show as fine a record as characterize the others in which extension service was commenced at an early date.

The need of improved live stock throughout the South is recognized by all who have studied our agricultural conditions. The College has distributed more than 100 head of pure-bred animals to farmers in various counties in the State at a reasonable cost, quality considered. It has introduced, for example, the Tamworth hog, a breed unexcelled for grazing purposes, yet pork may be made for about half the cost on grazing crops as on a ration of corn alone.

An active interest is also being taken in the campaign waged for the eradication of the cattle tick which has now been eliminated from several counties. Several other counties will soon be free from this menace to the cattle industry. The work will be continued until the whole State is freed.

Co-operative work in dairying is being carried on. Eleven silos were built last year under the supervision of the College representative. Advice and assistance is being offered some 38 farmers at the present time relative to the feeding and management of their dairy cows. As a result of this the cost of maintenance has been reduced, the yield increased, and many robber cows eliminated from the herds.

The department of farm mechanics undertakes to furnish plans for various farm structures. Something like 275 plans have been sent out already for barns, silos, hog houses and school buildings.

The enumeration of other extension activities would prove tiresome, but sufficient data have been presented to show the efficacy and desirability of work of this character, and the great influence it is destined to exert on the redirection of our agricultural practice and the development of a constructive economic policy by the farmers of the State. The further endowment of this work and its expansion along rational lines is destined to double and treble the producing power of the Southern farmer.

Land and Agricultural Credit.

BY CHARLES A. CONANT, author of "The Principles of Money and Banking" and "A History of Modern Banks of Issue."

The world is facing to-day a grave economic crisis. For centuries land was recognized as the chief and almost the only source of production. Then came the wondrous nineteenth century, with its new mechanical forces, its intricate machinery for multiplying the power of human hand and brain, and its gifts of rich prizes to the captains of industry and finance. For a time the world seemed to forget, in the enjoyment of its new-found luxuries, that these were not the essentials of human life. Population has gone on increasing until cities stand where cornfields grew, until the whirl of the loom is heard where cattle mewed, and the world has been suddenly roused by growing scarcity to the primal importance of land and food in the economy of modern life. Our awakened economists and statesmen have discovered that demand for food products is more than overtaking supply, that population is encroaching upon farm land, and that even those lands still available for culture are lying fallow or are inadequately cultivated because the farmer lacks facilities for converting land values into negotiable credit.

It is greatly to the credit of Governor Herrick, so long

an honored member of this Association, and to the committee which this Association has appointed, that they have become aroused to the importance of introducing in this country, as far as they are adaptable, the methods already employed in Europe for extending credit to the farmer. I propose to speak to-day upon two forms of banking which have in recent years obtained wide extension and great success in Europe, but are comparatively unknown in the United States. I refer to the conversion of mortgage loans into a readily negotiable form by the issue of bonds and to the system of loans to the farmer through mutual credit societies.

It is the fundamental function of banking and the banker to convert credit which may be good, but is little known, into credit which is known and is therefore readily negotiable. Hence arises the function of the banknote, issued upon the assets of merchants, which converts their individual credit, through the guarantee of the bank, into a form which passes from hand to hand without question as the equivalent of gold.

The question was asked very early in the evolution of modern banking what better security there could be for

the issue of negotiable credit than the land, the source of all production and all values. When the people of France tore down in the Revolution the fabric of the monarchy and the existing economic order, they turned to the land confiscated from the church and the nobility and made it the basis of the national currency. In the famous address made by the National Assembly to the people of France on April 30, 1790, it was declared on behalf of the Assembly:

When it gives to the assignats an obligatory and conventional value, it is only after ensuring for them a value real and immutable—a value which permits them to sustain to advantage the competition with the metals themselves. The property whose proceeds they represent constitutes their intrinsic value; that value is as evident as that of the metal contained in our usual form of money.

Bitter experience proved that these theories of basing circulating paper money upon land had in them the seeds of disaster. For a time, even thoughtful men were puzzled why a value so substantial as that of the land did not afford a proper security for the circulating medium. The answer to the problem is that land is not quickly convertible. Currency, whether of gold or paper, is a tool for quick exchanges. The promise to pay gold for a bank-note at some future time, instead of the present, is like the promise to a hungry man of a dinner at some distant date, instead of at the moment when he needs it. Still less acceptable is the offer of a quarter section or even of a town lot when the holder of a bank-note desires to convert it into the value on which it is based.

Dangerous and illusory, therefore, are all projects which propose to sanction loans upon land or on other permanent forms of property by banks which bind themselves to meet their obligations at call. Their redemption fund must consist of gold—not land. It is for these reasons that thoughtful American statesmen have resolutely opposed the proposal that national banks should lend any part of their resources upon mortgages. Theoretically perhaps, the loan of a small portion of the capital of a bank, which is the property of the shareholders and not repayable on demand, may keep the danger at a minimum; but the capital of a bank should be considered as a guarantee fund for the protection of its demand liabilities and should be in some form of security more readily convertible than direct loans upon mortgages.

Is there then no means of aiding the farmer by converting into readily transferable form the solid value which lies in his land, buildings, implements and improvements? Yes. Modern European experience has found a way, safe, secure and flexible. It was known from long before the time of Christ that a loan upon land was well secured, if the title was transferred to the lender in the form of a mortgage. But the system of the ordinary mortgage loan has several serious defects. Among these are the difficulty of persuading individuals to lend upon single plots with whose character and value and even their location they are often unfamiliar, and, further, the fact that such loans could not be readily converted into money by sale, nor even transferred until another lender were found also familiar with the value, character and location of the loan and desirous of making an investment of exactly the same amount.

Europe has solved the problem of the ready transferability of mortgage loans and low rates of interest to the borrower by taking a leaf from the experience of the limited liability company in the issue of bonds and shares. In Europe, the man who has money to lend upon mortgage is no longer obliged to make personal examination of the property, nor to risk his capital upon a single investment in a non-transferable form. He has only to buy a negotiable bond—coupon or registered, according to his preference—which he can sell as readily as the bond of the government, and with even less risk of fluctuation in its price. He has behind the bond not merely

the land, the source of all wealth, but he has the pledge of a stock company that they have examined the properties upon which loans have been made, that all such properties are held in the aggregate as assets against the outstanding bonds, and that the company has in addition an adequate capital to cover any unexpected shrinkage in the value of the property behind its bonds.

While the development of farm areas in America was in the speculative stage and land values were uncertain, the time was not ripe perhaps for introducing in this country the system of mortgage bonds. But our area of cultivated land has reached up to the foot of the Rocky Mountains; the pressure of population upon the food supply is creating an unsatisfied demand for larger crops, and the time seems to have arrived when we may follow in the footsteps blazed by European experience for the conversion of the land into convertible credit, avoiding the dangerous errors which have been made in times past and appropriating without cost to ourselves the results of foreign experience.

The development of agricultural credit abroad has proceeded along several different lines, adapted to different types of need. These may be defined roughly as the system of issuing mortgage bonds for long terms, as is done by the *Crédit Foncier* of France and similar institutions in Austria-Hungary, Prussia, Italy and other countries; the system of agricultural credit through grants of public money, under the methods provided for in the renewal of the charter of the Bank of France in 1897, and the system of mutual credit organizations among agriculturists.

It will afford perhaps the clearest idea of the system of mortgage bonds to describe first the organization and methods of the *Crédit Foncier* of France, although I shall point out further on that there has been too much centralization in the *Crédit Foncier* to extend its benefits fully to the agricultural community. The fundamental basis of the *Crédit Foncier*, however, is sound—to extend land credit on the lowest terms by establishing between the borrower and the lender an intermediary which is in a position to obtain money at the lowest rate at which it is offered in the market. The method by which the *Crédit Foncier* accomplishes this result is by the issue of its own bonds, guaranteed by its capital of \$40,000,000, which must never be less than one-twentieth part of the bonds which it has in circulation.

What is the term and character of these bonds? They are made attractive to the borrower by the system of amortization by which they are paid off and by the long terms over which the amortization extends. Amortization, while a subject well understood in this country in relation to sinking funds and insurance reserves, has been applied but rarely in mortgage loans, and when applied it has often been for terms so short that the interest and amortization together imposed a heavy burden upon the borrower. In the loans made by the *Crédit Foncier* of France, more than three-quarters are for periods of fifty years or more. Hence the amortization charge involves only a small addition to the annual interest, and, as the latter also is fixed at the lowest available market rate, the net annual charge is much less burdensome than the rate of interest alone imposed upon the American farmer in the less developed portions of this country. The rate of interest charged upon loans during the last few years by the *Crédit Foncier* of France has been 4.30 per cent. For a loan payable in thirty years, the semi-annual payment required has been 2.982 per cent., or just under 3 per cent, making the two payments for the year equal to 5.964, or just under 6 per cent. Where the loan is for forty years, the sum of the two annual payments falls to 5.259 per cent., and for fifty years to 4.882 per cent. It may not be possible to float bonds in this country at a rate so low as to permit loans upon mortgage at 4.30 per cent., but even if 5 or 5½ per cent. is charged, the additions for the amortization of the principal will

not be materially greater than in the case of the loans made by the *Crédit Foncier of France*.

What are the safeguards thrown around the issue of bonds by the European mortgage banks? They include, in addition to the property on which the mortgages are placed, a large capital and reserve fund, which in the case of the *Crédit Foncier of France* must equal at least one-twentieth part of the value of the bonds outstanding. Other provisions for the protection of the bondholders, in the case of the French institution, are the following:

Loans must not exceed 50 per cent. of the actual value of the property. In order to encourage building loans, however, the *Crédit Foncier* stands behind a subsidiary company, which loans a little more.

Loans are not granted upon theatres or mines; and they are not granted upon properties which are undivided or held only for use, unless with the consent of all the parties necessary to constitute a valid mortgage.

Loans must not exceed one-third the value of the property for vineyards, forests, and other property whose revenue is based upon renewal of productive forces.

Manufactories and similar buildings must be valued according to their intrinsic value independent of their industrial efficiency, or good will.

The annual annuity required to pay interest and amortization must not exceed the annual income of the property, thereby excluding loans upon unimproved property.

Properties susceptible of destruction by fire must be properly insured.

In case of default in one of the semi-annual payments, the whole of the loan becomes due within one month.

Upon the subject of foreclosure in case of default, European mortgage banks have large powers, but they are powers designed simply to cut red tape and avoid heavy costs, and complain of injustice to the borrower is rare. In this country a central institution lending upon mortgage, even if incorporated by Federal law, would be subject to the laws of the States in which its loans were made. It would, however, be an easy method of securing comparative uniformity and simplicity in such laws for the new corporation to lay down the rules under which it would make loans and to refuse to make them in those States which did not enact laws conforming to such rules.

What is the cost of loans to the borrower? The rate of interest to the borrower is rigidly limited by the French law to the actual rate at which bonds are sold to the public, plus an allowance of six-tenths of one per cent. for administration and the profits of the company. This would mean that if money were borrowed in New York by the sale of $4\frac{1}{2}$ per cent. bonds at par, the lending rate to the farmer could not exceed 5.10 per cent. It might not be desirable to fix restrictions so rigid for an American bank, because they might in some cases interfere with the flotation of bonds or the making of loans at convenient fractions. With government supervision of such an institution, however, and with a limitation perhaps upon the dividends to be paid to shareholders, it ought to be possible to keep the lending rate to the farmer at a point much lower than he pays under the existing system of disposing of mortgages to individual investors. According to the statements made at a recent conference in New York of dealers in mortgage loans, rates of 8, 9 and 10 per cent. are the usual rates for such loans in North and South Carolina, Georgia, Texas, Mississippi, Louisiana and in the Canadian Northwest.

The average rate of interest shown by the Federal census of 1890 upon mortgages on farm lands was 7.07 per cent.; but it must be remembered that this is only an average, pulled down by such rates as 5.66 in New York, 5.43 in Pennsylvania and 5.58 in Massachusetts, while the average rate (and not the maximum) rises as high as 8.18 per cent. in Minnesota, 8.38 in Texas, 9.79 in Mississippi, 9.87 in Washington, 10.55 in Idaho and 10.97 in Montana.

Would a wide market be found for American mortgage bonds? The mortgage bond has advantages which make it a much sought investment in Europe and are likely to make it a favorite in this country. If issued near par, it has less tendency to fluctuate in market value than other classes of securities. It rests upon the land and the guarantee of the issuing company. It would be issued usually for a long fixed term, but issues would be made for different terms, in order to retire bonds when mortgages were paid off and to make new issues at market rates for the purpose of new loans. In France, the bonds of the *Crédit Foncier*, while they can be called at will, which prevents the long maturity being capitalized in the price, have a special speculative feature in the prizes which are attached to certain numbers. As this system of lottery bonds is contrary to public policy in this country, the bonds issued by a mortgage bank in America would have to be issued at approximately the market rate for money. Their fluctuations in price would be influenced in a moderate degree by the demand for money and would be influenced very little by other factors. The exact form in which they should be issued, including perhaps the right to call them at a small premium, after certain dates, involves details of calculation which cannot be entered upon at this time.

The essential advantage of the mortgage bond, however, is in drawing into the field of mortgage investments the great mass of saved capital which now tends toward the market for industrial and railway securities because mortgage investments are so difficult to examine and negotiate. If the rate of interest on mortgage bonds is reasonably attractive—say $4\frac{1}{2}$ per cent.—the market for their sale would prove almost without limit. If it were not sufficiently wide in America, it would find indefinite expansion in Europe, where the average rate upon money is lower than in the United States.

How can a mortgage bank be kept within the limits of safety on the one hand and justice to the borrower on the other? It is necessary, if there is to be a great central institution for mortgage loans, holding a special charter from the Federal Government, that it should have the double advantages of the supervision of the State and the efficiency of management of the man of business. To this end, it would probably be necessary that the selection of the head of the bank should have the approval of the President of the United States, that government directors should sit on the board, and that there should be visitation and inspection by representatives of the Comptroller of the Currency or other officers of the government. There should naturally also be many restrictions imposed upon the manner of doing business—limitation of the rate of interest for loans, minimum ratio of capital to obligations, equitable distribution of the loans by territory, limitation of profits, and required additions to surplus.

Would a land mortgage bank accomplish the desired object of affording cheaper and more accessible credit to the farmer? It is of the highest importance, if a land mortgage bank is to be established in America, that it should avoid the tendency towards centralization which has hampered the usefulness of the *Crédit Foncier of France* to the farming community. The *Crédit Foncier* has in a measure failed in its original objects by making a larger percentage of loans in cities than on rural property. It also makes loans to municipalities, which might or might not be desirable in this country, but is a field upon which I cannot enter now. Of its loans upon private property from the beginning up to the close of the year 1911, there were 121,976 loans upon city property, representing an amount of about \$935,000,000, and only 48,568 loans upon rural property, representing a value of about \$246,000,000. While the urban loans are eminently proper and the issue of bonds against such loans forms a convenient manner of converting city property into a negotiable form, the primary aim of a new company in

America should be to aid the farmer rather than the dweller in the city. To this end, the proportion of loans to be made by a new institution in cities of a certain size could be limited to a certain amount of its total loans. This, however, would be in the nature of a mechanical limit, which would not go to the root of the difficulty which exists in France. This difficulty is the concentration of all power at the center. France lacks that steadying element which is the characteristic of our government—the sovereign powers of the States, to which it might be necessary to appeal in order to ensure a wide diffusion of agricultural mortgage credit.

In Germany this factor of local control is realized in the *Landschaften*, or co-operative land credit societies. These organizations are made up of the larger land-owners, grouped together to guarantee the bonds which the society issues. The society, having obtained the necessary funds by sale of the bonds to capitalists, lends to its members at a rate about 1 per cent. higher than that at which the money is obtained, in order to pay the costs of administration and constitute reserve funds. In order to render the sale of the bonds easier, special banks have been created under control of the societies themselves. The bonds have been well received on the German money market and during the period of easy money which prevailed from about 1894 to 1900 were placed at rates of from 3 to 3½ per cent. The amount of bonds outstanding in 1909 was about \$835,000,000, of which more than three-fourths were issued by societies in Prussia.

But the subject of long-time loans upon mortgages is, after all, only one side of the subject of agricultural credit, and in many cases not its most important side. The mortgage loan system tends to enlarge the area of cultivated land, because much of the work thus done has a continuing value and the interest on the loan and the amortization can be paid from the newly created annual product. There is force, however, in the distinction made by Mr. David Lubin of the International Institute of Agriculture, that for many purposes, what the farmer needs is dynamic money more than static money—a current account upon which he can draw for short periods and special needs, as for the growing and moving of his crops, and upon which he need pay interest only for the money actually in use. As Mr. Lubin declares in a recent discussion of the subject:

"With the ordinary commercial account, every dollar may be placed on the active line of engagement and the dollar not so engaged may be immediately returned to the bank and ceases to pay interest for the time it is not wanted. A mortgage, on the other hand, gives a fixed amount for a fixed period, and this is contrary to the commercial usage which permits the free engagement of every dollar in current business."

It is this department of the field of agricultural credit which has been most fully developed in Germany, and which was so defective in France that the subject was taken up seriously by the government as recently as 1899. In France loans upon goods stored on the farm were long prevented by the civil law, which required that the pledge for a loan should be in the custody of the lender. Even when it was sought to rectify this difficulty by a law of 1898, the fiscal charges were more than twenty times those for realizing an ordinary loan upon hypothecated securities.

To escape these difficulties and promote short-term credit among the farmers, laws were passed on November 5, 1894, and March 31, 1899—the former instituting the local mutual credit banks and the latter the so-called regional banks, which group together the local banks of a given district. The State has placed at the disposal of the regional banks, for the purpose of making advances to the local banks, two sums—one fixed and the other annual—derived from the resources of the Bank of France. As the Bank of France is compelled about every twenty years to seek the extension of its charter, the op-

portunity was seized in the law of November 17, 1897, which made such an extension, to demand that the bank should make to the government a loan, without interest, of 40,000,000 francs (\$7,720,000), which the government in turn was to lend to the regional banks. This sum was increased in 1911 to 80,000,000 francs (\$15,440,000). In addition to these capital sums, the bank pays into the public treasury annually for the same purposes a tax equal to one-eighth of the rate of discount upon that portion of the circulation which exceeds the metallic reserve. It is provided that this annual payment shall not in any case be less than 2,000,000 francs (\$386,000), but the actual proceeds have reached each year between 3,000,000 and 5,000,000 francs.

The local agricultural banks which are authorized to avail themselves of these sums may be composed of the whole or a part of the members of one or more agricultural syndicates or mutual insurance societies. Their initial capital is formed by shares, subscribed exclusively by the members, but only one-fourth need be paid up. The liability of the members is limited in some cases, but there has been manifested a tendency in France to adopt unlimited liability as the best safeguard for healthy co-operation. These societies are affiliated with the regional bank of their department. They are required to subscribe for a certain number of shares in the regional bank and are then admitted to the credit facilities afforded by this bank, which discounts the bills of the local society or grants loans directly to the society to constitute its working capital. The method generally employed is the discount by the regional bank of a bill signed by a member of a local society, which has been approved and endorsed by the local committee. The bill thus bears three signatures, which makes it available for rediscount by the Bank of France. The interest rate of the regional bank is usually 3 per cent., to which 1 per cent., or a little less, is added by the local bank for the expenses of management and the formation of a reserve fund. The size of the loans is in some cases proportionate to the shares which members have subscribed, but in other cases the amount is limited to 1,000 or 2,000 francs, according to the kind of cultivation in the district and the financial strength of the applicant. The form of guarantee may be a surety, or the deposit of securities, but special guarantees, beyond the liability of the local bank, are not required by some associations except when the loan exceeds a certain amount. Many regional banks allow only bills for three months, with the privilege of two, three, or four renewals, according to the by-laws of the bank. At some banks the loan is granted for as long as a year, but installments are required at shorter intervals.

The regional banks are regulated by the law of March 31, 1899, and are the institutions which receive from the Mutual Agricultural Credit Bureau (*Crédit Agricole Mutuel*) the money which has been advanced by the Bank of France. A special committee nominated by the Minister of Agriculture distributes these public funds among the regional banks, and a body of government inspectors supervises their work. These banks receive loans without interest up to four times their paid-up capital, for a period of five years, subject to renewal. If, for example, there are in a department ten local banks, which have each subscribed 5,000 francs, their shares form an initial capital of 50,000 francs for the regional bank, and the government will make an advance of four times this amount, or 200,000 francs. The regional banks have the privilege, moreover, in case they need additional resources, of having their bills rediscounted by the Bank of France or other banking institutions.

The number of regional banks increased from 9 in 1901 to 66 in 1905 and 96 in 1910. Their loans during the year 1910 in the form of discounts of new bills were 66,957,353 francs; loans outstanding at the end of the previous year, 40,971,508 francs; making a total of

109,180,081 francs, against which repayments were received during the year of 59,887,572 francs, leaving net loans outstanding at the close of the year at 49,292,509 francs (\$9,500,000).

France possesses several types of credit banks, formed voluntarily and without State aid, among them being the rural banks promoted by Louis Durand, similar in organization to the Raiffeisen banks of Germany, but having a semi-religious character in their connection with the Roman Catholic Church. The number of these banks reported at the close of 1910 was 672, with total assets of 12,569,915 francs (\$2,450,000).

It is in Germany, however, that the system of co-operative popular banks has obtained the widest extension. Germany possesses several types of popular banks, some being intended to aid the laborer on the farm and in the mills, as well as the owner of agricultural property. They are all worthy of serious study in this country, but the limited time at my command will restrict my discussion chiefly to the rural banks, organized under the so-called Raiffeisen system, founded by Herr Raiffeisen, a philosophical thinker of the last century. The Raiffeisen system is built up on the principle of co-operation among farmers, usually peasant proprietors. There were in Germany in 1909 12,614 rural banks, numbering 1,163,186 members, or an average of 92 members for each bank. The principle upon which these are established is that of the unlimited joint and several liability of the members; but as limited liability has been found to afford adequate protection, about 8 per cent. of the German banks are now based upon limited liability rather than unlimited.

The credit extended by these banks is chiefly personal rather than by way of mortgage security, the united guarantee of the members of a society being adequate protection to the lender for the repayment of the money borrowed. The working capital is derived from the shares which are paid up by the members, the reserve fund, savings deposits and deposits on current account, and finally the sums which the bank procures by means of loans from central co-operative banks, other types of banks, or private individuals.

The business of the rural bank consists for the most part in making advances to the members. Surplus cash on hand is deposited with the central banks or invested in banking operations with third parties. The loans to members consisted at the end of 1909 of loans on current account to the amount of 425,995,403 marks (\$101,250,000), or 28.3 per cent. of the total, and loans for fixed periods to the amount of 1,082,446,388 marks (\$258,000,000), or 71.7 per cent. The members guarantee the fulfilment of their obligations to the bank by finding sureties, by the deposit of valuables, including stock certificates, by giving a mortgage, or merely by their personal promises. The finding of sureties is the form of security usually preferred. The period of the loans varies from six months to two or three years, and in exceptional cases for a longer term. The principal safeguard, however, for the success of the rural banks lies in the limited area of their operation and the nature of rural life, which enables the member of a local institution to observe, from day to day, the manner in which his neighbor is utilizing the money which he has borrowed.

The total liabilities of the rural banks in 1909 for the whole of the German Empire amounted to about 1,900,000,000 marks (\$455,000,000), being an average of 153,000 marks per bank, or 1,664 marks (\$400) per member. The resources held against these liabilities were made up chiefly of 1,650,000,000 marks in savings deposits and deposits on current account, indicating that practically 85 per cent. of the funds advanced by the associations to their members were derived from their own depositors. Liabilities to others, apart from share capital and reserve, were 217,487,465 marks (\$51,750,000), constituting only 11.2 per cent. of total liabilities.

The need of combination was felt at an early stage by the rural banks. Such a combination was brought about for propaganda, education and mutual defense by the so-called federations. Entirely independent from them, however, are the central banks, which undertake the provision of capital for the rural banks and the employment of their surplus funds. There are provincial central banks and general central banks, most of them being co-operative societies with limited liability. Speaking broadly, the central banks fulfil for the rural banks the same functions which the rural banks fulfil for their members. Into the tills of the central banks go the surplus deposits of the rural banks and from these resources loans are made to the local banks which have need for them. Of the available resources of the central banks reporting for 1909, amounting to \$62,600,000, the proportion provided by deposits of members was \$44,500,000, or 71.3 per cent., and 9.8 per cent. more was derived from capital and surplus. The central banks make loans to the rural banks either in the form of advances on current account or loans for fixed periods. Contrary to the rule prevailing in the loans of the rural banks to their members, the preponderance in the loans of the central banks is on the side of current accounts. Out of about \$43,300,000 in loans outstanding in 1909, practically 95 per cent. were on current account. Through the central banks the farmer is given access to the general money market, and is able to obtain funds for temporary purposes without the formalities, expense, and locking up of capital incident to mortgaging his land for long terms.

Having outlined briefly the various systems in operation in Europe for extending credit to the farmer, the important question arises how far these systems and methods are adaptable to the needs and conditions of this country. We may very well ask:

Can we maintain a successful mortgage land bank, whose assets will always be sound and whose securities will always stand near par in the market?

Can we escape the diversion of the loans of such an institution from the country to the city, which has detracted from the value of the *Crédit Foncier* of France as a help to the farmer?

Can we apply public funds, as in France, to the extension of agricultural credit?

Can we utilize the principle of self-help among agriculturists in combining their resources through a co-operative society for granting loans to meet temporary needs?

These questions cannot be answered hastily or dogmatically. They are only the primary questions, whose answer depends upon many secondary questions of method, of management, of national temperament and of local conditions. It has been possible, in my brief remarks to-day, only to skim the surface of the development of agricultural credit in Europe—to draw the outlines of the picture, whose details can be painted in accurately only after prolonged and expert study. For this reason, I believe that the farmers' associations which have been demanding the appointment of a special commission of inquiry by the Federal Government are following the right road. To legislate hastily and unwisely might prove worse than not to legislate at all. Another collapse like that of 1893 would postpone sane agricultural banking for another generation. The farmer has the right, however, to demand the same facilities and opportunities for obtaining credit as the manufacturer, the merchant and the banker, with the important limitation, to which they also are subject, that the facilities afforded him must be adapted to the character of the assets he has to pledge, in accordance with those sound principles of banking which have been worked out through many errors and much travail and tribulation of spirit during the past two centuries.

A central organization for the issue of mortgage bonds, recognized by the Federal Government, like the *Crédit Foncier*, would probably be required in order to give the

bonds a sufficient guarantee and a wide market. Organizations under State law, especially if they lacked the guarantee of the State government, would defeat the principle of a broad reform in mortgage banking, because the bonds issued in the poorer States could not be sold at home or abroad at the same rate as those issued in the richer States, where there was less need for such institutions. Without committing myself at this time to a definite plan, it is probable that it would be found advantageous to establish State organizations, charged with making local loans, under rules laid down by the central organization, and that the latter should be able to issue its bonds under its own guarantee, secured to it by the deposit of mortgages or bonds guaranteed by the State associations. In other words, it might be found advisable to build up a co-operative democracy of State mortgage loan banks, united into a powerful central organism, similar to that proposed in the plan of the Monetary Commission for strengthening commercial banking credit.

It is not impossible—though here again I wish to be understood as speaking only tentatively—that the three great branches of banking, the commercial credit banks, the mortgage banks, and the postal savings bank, might be linked together in a system which would give greater flexibility to credit than it has ever enjoyed in our banking history, by the aid which each, without violating sound banking principles, would be able to extend to the others in time of need.

If the funds of the postal savings bank could be in-

vested in a certain proportion in mortgage bonds, the interests of the saving masses would be linked with the interests of the farmer in a way which would keep local savings at home and encourage the co-operation of the two great producing classes of the country. Such an investment—probably not advisable in excess of one-half of the assets of the savings banks—would increase their earnings and permit a higher rate of interest to be paid to depositors than is contemplated under the existing system of investment in government bonds and deposit of savings funds in national banks. It is probable that within five or ten years the deposits in the postal savings bank, if it duplicates the experience of European banks, will amount to several hundreds of millions, and there is no obvious reason why, under proper safeguards, this great fund should not be applied, at least in part, to the encouragement of agriculture. The workingman who laid up his savings in the postal savings bank would then be directly aiding the owner of the soil, who would be sowing the crops and raising the cattle for the daily food of both.

While the proposal to create a central reserve association for the co-operative organization of the commercial banks should in itself be considered independently of the form and structure of the central mortgage bank and the postal savings bank, it is possible that if Congress showed a disposition to deal with all these topics broadly and intelligently in their relations with each other, they would arouse a deeper interest and a warmer support in every class of the community.

Bankers in Their Relation to the People.

BY HON. CHARLES E. TOWNSEND, United States Senator from Michigan.

Mr. President, Members of the American Bankers' Association, Ladies and Gentlemen:

It was not our disappointment, but mine rather, that I was not with you on Tuesday. The President has stated that there was a misunderstanding. Of course, I am bound to believe that it was not a misunderstanding on my part, but when I read in the newspapers on Wednesday morning that I had not even responded to the invitation that had been extended to me, I felt that at least I had not been courteous to the guests of Michigan, who were here from most of the States in the Union. The invitation as it came to me was to speak to-day. Later I was called on the telephone and, as I understood it, requested to speak the day before. I did not understand that I was to be here on the 10th. I could have been here just as well. Knowing your President so well as I do, I am bound to believe that I must have misunderstood him.

Now, Mr. President, as I said to you over the telephone, and as I say to the Convention now, I have no particular message to deliver to the bankers.

I am deeply sensible of the honor you have conferred upon me through your invitation to address the Convention, and also of the importance of this occasion. Ordinarily very little attention would be paid to what I might say to an Association of bankers—and this would be most proper, for I am in no sense an authority in banking, and it would seem almost presumptuous for me to participate prominently in the deliberations of men who, through long experience and close study, are familiar with every phase of finance, its history, its present condition and its pressing future needs—but in this age of politics, when no matter of business or personal conduct and life are exempt as collateral from the demand of partisan politics and political necessities, a national legislator and especially a United States Sena-

tor speaks under the presumption of talking for political effect, and his statements are suppressed or exploited, according as they are conservative or sensational.

I have no great, new scheme of finance to reveal to you, nor have I any magic cure for existing evils in our currency system, but I propose, during the few minutes which I shall occupy, to discuss some influences and conditions which affect banking as a necessary part of our industrial life, and which affect also every other industry of the country, indeed, which go to the peace, progress and prosperity of the nation itself.

At the outset permit me to say that I am not a pessimist. My stomach is usually in good order and my ambitions are not so overmastering as to compel me to create issues for my personal use. Whatever intellect I may possess, whatever patriotism resides within my breast, permit me to see the certain steady progress of the past, and to view with hope and courage the years ahead. I do, however, recognize the great fact that this is a government of men, of men who are good and of men who are bad; of men who are selfish and of men who are more altruistic; of men who view organized government as a means for protecting themselves in their efforts to exploit other and weaker men for personal profit and favor. Of men also who believe that government, popular representative government, is instituted for the general welfare, for the weak as well as the strong, for the small as well as the great, for the masses as well as the classes. Out of the contest between these different kinds of men there has been evolved a sure and steady progress in popular government, and human rights and opportunities have been enlarged and safeguarded. If these assumptions are begging the question then must it be so, for it seems to me they are so axiomatic that I shall not attempt to prove them.

I am not complaining very bitterly at the work of the

political vulture who thrives upon corruption, for although he is a most unpleasant creature, he is a necessary scavenger; and while his cries are frequently out of all proportion to the size of the carcass, yet he generally has scented some carrion, and to it the health officers of the government are attracted. A government founded on morality and justice, upon free schools and general intelligence, cannot be in permanent danger from the attacks of greed or selfishness or error. Indeed, my faith is so strong in the eternal foundations of our republic that I have no fear that they will be undermined by any unworthy force, either from within or from without. I am convinced, however, that our evolution is not so great nor as rapid as it might be, because of two classes of our people. One is the class popularly designated as "special interests," and the other is the class known as "professional reformers." That these two classes do exist no student of affairs can fail to discover. The former, in a measure, furnishes the excuse for the latter.

All men are not created with the same business foresight and insight. Circumstance is not a little influential in determining the relative positions of men. We may object to calling this luck and I confess I do not like the name, but I know of no better term for this something which comes to some men, yet these exceptional cases but prove the rule that some men by nature are able to see and develop financial opportunities which others cannot see and accomplish. Some of these fortunate ones seem to believe that because they have special endowments they therefore should have special privileges and should be permitted to develop the natural resources of the country and to enjoy unrestricted operation in whatever field of enterprise they may enter, without regard to what the effect may be upon the less fortunate, upon those who lack the initiative, the capital, the brains or the circumstance. They say that great thing would not have been done without them, that the laborers dependent upon their capital and genius would not have been employed if these benefactors had not been engaged in business, and that poverty and distress to millions are averted because of their business ability, and that therefore, they should be encouraged either by special legislation or by exemption from laws seeking to regulate them. In other words, they insist that they are benefactors to the masses and should be encouraged to increase their business and their profits. I agree with many of their statements of fact but I dissent from some of their conclusions and inferences. It is true that without genius and enterprise, without capital and credit many things which are now being done would not have been undertaken and accomplished at this time, but it is not true that this same genius and enterprise would have remained inactive and dormant if a strict accountability to the general welfare had been required. To the man of special ability and unusual genius real life is only experienced through the development of these qualities. He can no more remain inactive than can the river hesitate at the brink of the falls, and when once he feels that every opportunity which he sees, every resource which he develops, every enterprise which he makes to prosper, are to be held and used in such a manner that while he enjoys a great personal benefit, the general welfare in the large and true sense is also subserved, then and not till then is he approximating his greatest happiness and usefulness. Then and not till then will he render that reasonable service to the republic which is due from him as compensation for the protection afforded him by government.

I want the widest and freest opportunity for individual and collective effort consistent with the common good, but the man of peculiar genius and foresight should recognize the fact that every personal and property right which he enjoys is his because of the guaranty

of government and that that government was established and is maintained for the general welfare, and any wrong which is inflicted by the fortunate upon the unfortunate, by the successful upon the unsuccessful, however philanthropic the professed motive may be, is as certainly wrong and quite as responsible as the mistaken efforts of the unsuccessful to take by force from the successful.

I cannot agree with the proposition that it matters little that a few people acquire the wealth if these few keep the money in circulation; that the means of acquisition are not so important as the method of distribution. Wealth is a most useful agent or instrumentality in the work, growth and development of a man or nation, but it is not an absolute necessary factor. Men and nations have grown great and strong in poverty and adversity. Indeed, the qualities which make for real progress and enduring greatness, individual and national, are character and stability, and these are not the natural offsprings of wealth.

Real wealth is the product of intelligence and labor. Intelligence or mental insight catches glimpses of engines and automobiles, and canals, and mines and factories, and newspapers and banks, and of the million other things which together make up material life, and then it directs labor to unfold them. This insight may, I repeat, be the result of genius or circumstances, and it must be properly indulged. But the labor which unfolds them and the consumers or users who make them valuable by furnishing a market for them, are factors in the governmental problem thus presented which must be considered. Government has to do with the relations of production and consumption, which comprehend, necessarily, transportation and financing. Can we say that the business or material opportunities of our republic exist either in connection with the country's natural resources, which includes of necessity the service of the public with those resources, or else in relation to that broad, limitless and intangible field wherein energy, genius and enterprise may find the elements for ministering to the desires of men and women? One includes the necessities, the other the luxuries of life. It is true, of course, that these classes of resources are relative, for gradually, yet surely, the luxuries of yesterday are becoming the necessities of to-day, but to my mind there is a difference and one that government can recognize. Coal, iron, copper, the precious metals, water, power, natural gas, oil, timber, irrigation possibilities, transportation facilities, all necessary means of communication, agricultural lands, especially those on the public domain, food products, banking—all of these, and others which may suggest themselves to you, are in their nature vital to the very life, security and progress of the people, and therefore it is important that there should not be monopoly of them or of any of them. It does not make a difference to the masses, and therefore to the republic, whether a few shall acquire by any means, no matter how benevolent their intentions, these necessities. They should be acquired lawfully and should be controlled so as to contribute to the general welfare. There is a test which can, with some degree of exactness, be relied upon to determine whether individual or corporate unrestricted control is dangerous or not, and that is this: Is it possible for such control to impose unnatural burdens upon the people? Can it produce a business panic? Is it possible to destroy business by stopping the financial circulating medium at its will or fancy? Can it control or stop production of a necessity of life? Can it arbitrarily impose artificial burdens upon the people which they must bear? If such control can be so exercised, then surely the public is not being protected in those inalienable rights of life, liberty and the pursuit of happiness which are supposed to attach to membership in the republic.

On the other hand, greater latitude should be and can be given to individual and collective effort in matters

which naturally contribute to the whims and fancies of the people and which are not necessities of life. But even in this realm the operation should be honest. Our strength and perpetuity as a nation depends upon the patriotism and loyalty of our citizens to the government. Patriotism and loyalty are founded on respect and no intelligent people will respect a government which tolerates unfairness or dishonesty. The equipage and livery of unworthy opulence are quite as discouraging to national loyalty as the flaunting of the red rag of anarchy.

Business, big business, should ask for no special favors. It should ask only its rights and it should never forget that with its rights go duties which are quite as imperative as are the privileges which it demands.

The other class of our people who are retarding true progress are the professional reformers. They are found in almost every position in life. They frequently own a newspaper, or a magazine, and nothing in the publisher's line is more profitable at this time than sensationalities. Sometimes the professional reformer is found on the lecture platform, for his responsibilities rest lightly upon him and he believes that the people want the unusual rather than facts. Generally he is a politician and wants office and power. He creates issues, uncovers imperfections and condemns real and imaginary wrongs. He is always short on definite and specific remedies, but long on denunciations. Not infrequently he is a political blackmailer and demands tribute from those he threatens. These professional reformers discourage the real progressive, for his zone and practical methods are overlooked in the gyrations of the spectacular faker, and the things of value which could and ought to be done are passed by as immaterial. But I am not hopeless, nor am I despondent. I believe that good will be the final goal of all these attacks. They are, as I have said, generally based upon some foundation of truth, and while the demands of the professional reformer are out of all proportion to the real evil, and sometimes more disastrous in their effects than the thing sought to be remedied, still the particular wrong is cured. When a boy I was sent into the wheat fields in the springtime to pull the red root from the grain. It was a noxious weed and should have been destroyed. In the spring when the wheat was small I could go over the field and remove the weed without injuring the grain. That was reforming the wheat-field. Another way to have destroyed the red root, seed and branch, would have been to have waited until harvest time and then to have set fire to the grain. The weeds would have been destroyed and the fire and smoke would have attracted wide attention and the farmer would have been notorious as a radical reformer. He might have burned up his fences and set fire to the neighbors' grain. The destruction of wheat might have brought poverty and hunger to himself and family, but he would surely have destroyed the red root. The professional reformer is playing with fire. He plies the torch and in some places the fire wardens are insufficient to check the flames and the good as well as the bad is destroyed, but in time the fire sufferers organize for safety and out of disaster finally comes better and surer protection.

You gentlemen are prominent and influential in the financial affairs of your country; you are identified with business in such a way that its success depends to no insignificant extent upon you. A responsibility far in excess of that which devolves upon men in other walks of life rests upon you. For some years in the world's history banking was not considered the most honorable calling, but now the people generally, and especially the most thoughtful and intelligent of them, recognize the great service which the honest banker renders to the commercial and industrial world. More and more he is coming to be the confidential, safe and indispensable ad-

viser of the business man, and though now and then a banker goes wrong and defrauds his creditors and causes people to lose faith in the bank and the banker, yet the total loss from banker's faithfulness and corruption is infinitesimal, compared with the whole confidence imposed, and the real service he has rendered the public is immeasurable.

Your great Association has it within its power to exert an uplifting influence on business generally which will do much to check the trend toward socialism and the disposition to turn to Government ownership. That our currency system should be reformed there can be no doubt. That the bankers of the country are the best informed as to what our needs actually are and as to what reforms should be adopted is equally clear to me. But I do not lose sight of the fact that the professional politician for a long time has found it seemingly popular to attack the banks, and while he has usually been a financial failure and has known nothing worth while of banking, yet he has condemned every scheme of reform which has been advanced, and his eloquence has been more potent with the people than his character and ability would seem to warrant. But you are not entirely blameless. You have been so busy making money for your stockholders that you have at times got out of touch with the great masses who never can own stock in banks, but who are interested in the general welfare and who help to create that public sentiment which is at the foundation of all law and all government.

Mr. President, I reiterate, your organization represents a mighty influence which can be and ought to be used for the good of our country. You are in touch with its enterprises and can in a measure shape and direct them. Your power is great, and it should be, and I believe it generally is exerted for good. We have heard much of late of a Money Trust, and it has been charged that the great banking interests are organizing to control arbitrarily the business of the country. As a member of the Senate Committee which had hearings on this subject, I am compelled to admit that I was unable to discover any tangible evidence of such a condition, although I have no doubt of your necessary relation to business. It is close, confidential and comprehensive, but I cannot bring myself to believe that bankers as a whole or through their organizations have lost sight of their great calling, viz.: the conservations of the country's finances for the protection and good of the people who make the deposits. It is of great importance that the banker shall be able to pay his depositors, and to that end he must reinvest his deposits at a profit, but he must play no favorites, neither has he any right to speculate, as we commonly use the term, with the trust fund entrusted to his keeping. If I could have my way no man should be connected with any bank in charge of the bank's funds who could not live upon his salary or who felt that it was right for him to "play the market." And I would not permit a bank to engage in any business not connected with banking, excepting, of course, the temporary conduct of such business as the incident of forfeited securities placed upon it. Banking is a business in itself and it should be restricted to its objects of incorporation.

There are two kinds of business men who, I believe, should be of exceptionally high character and ability: bankers and newspaper publishers. The former exercise a great influence on the business of the country, the latter on the intellectual, moral and political life of the nation. No incompetent, unworthy, dishonest, vicious or ignorant man should be connected with either. We are approaching the time, indeed we have now reached it, when fitness in all its broad qualities is being required of the banker. The time will come when he who edits and publishes a newspaper or magazine shall be morally and intellectually fit for that great responsibility.

Gentlemen, I realize this talk to experienced bankers will seem academic, and such no doubt it is, but I did not engage to talk technically to you. The practical business man would hesitate to embark in the aeroplane, but I have suggested to you the general idea which has

come to me, viz.: the necessity for bankers in particular, and for business men generally to recognize the obligation which rests upon them to serve the general welfare while serving themselves.

What the Government is Doing for Agriculture.

By BRADFORD KNAPP, Special Agent in Charge of the Farmers' Co-operative Administration Work in the Department of Agriculture.

Mr. President and Gentlemen of the Convention:

My speech will be a little more elastic than the usual one, as it is all contained in my head, and is, therefore, subject to be extended or reduced according to the necessities of the occasion. I will endeavor to condense it as much as possible.

The great necessity of the present day for the agricultural class may be divided into three important things. First, there is the necessity of a wider dissemination of knowledge already in existence on agricultural subjects; I would have common and every-day knowledge regarding scientific methods of agriculture. Secondly, a better system of finance for the farmer, about which you have just heard a very able presentation of the foreign system. And third, the doing away as much as possible of the wasteful system that we now have in this country in distributing the output of the common family.

I wish that time were available this morning for me to discuss the first and the last of these three propositions, but not having the time I will discuss for a little while some things that have been done toward the solution of the first of these important propositions.

I believe that the greatest question regarding production to-day in this country is the question of the dissemination of knowledge. If the knowledge that is in existence in the hands of our agricultural colleges, in the hands of our experimental stations, in the hands of the Department of Agriculture at Washington, and in the hands of the best and most successful farmers everywhere, could become the common practice of farmers universally, it would revolutionize the agricultural production of this country. You ask the different farmers of the great State of Iowa—those farmers who are producing from 65 to 75 and 80 bushels of corn to the acre—what is the average production of corn in that great State, and they will tell you that they produce from 75 to 80 bushels an acre. Whereas, as matter of fact, the production is only between 30 and 40 bushels to the acre. That means that a large number of farmers are producing much less than that number of bushels to the acre. Now, if you could take every man who is cultivating the soil in that great State and make him produce, by modern scientific methods, as much as the best farmer produces, you would multiply the production of corn in that State many, many times. The same is true in almost any other State in the Union.

Methods have been devised of recent years for disseminating knowledge among the average farmer. Half a century ago a programme was started upon which organized colleges and experimental stations for teaching agriculture. To-day in this country less than 2 per cent. of the boys and girls can actually attend an agricultural college and get an agricultural training. Take the State of North Carolina, for example. There are 185,000 white farmers in that State. If 1 per cent. of them could attend an agricultural college and take the course they would be enabled to double, indeed, to multiply almost by ten, the capacity of that institution in order to educate them. We see that it is not feasible

to send all of the boys to the agricultural college. At least, that is true of the present time. These agricultural colleges are doing splendid work. Our experiment stations and the agricultural colleges are necessary adjuncts to our agricultural plan of education. They have garnered a great deal of the most valuable knowledge, and it will always be necessary for us to have men who are delving into the realm of science and finding out new things and experimenting with them, and reducing them to a practical proposition that can be taken to the farmer for his benefit. We have been writing textbooks and bulletins, and we have been having lectures in numerous institutes throughout the country. All of these have helped and advanced the cause of better agriculture.

I wish to cast no reflection whatever upon other means of taking the information to the farmer, but just simply to talk about a system that fits into the machinery that we already have in existence and complete the problem. If you were going to hire a man to construct a building on your land, would you hire a carpenter who had taken a correspondence school course in architecture and carpentry? If you were going to employ an expert in any line, would you take a man who simply had a reading knowledge of the things to which he was to devote his time in your employ? As I say, I do not wish to cast any reflections upon a correspondence school or upon a method of reading in order to get knowledge, but what we need is personal contact. Our very educational system itself is founded upon personal contact between the instructor and the one being instructed. We have designed and have had in operation in the Department a system of instruction to take to the farmer knowledge with reference to the several things that he has to do upon the farm, and to help him solve the problem that he meets there. It is about that system that I want to talk to you.

In this country for years we have been pursuing a plan of each farmer being left to his own resources. He cultivates the way his father did or the way his grandfather did, it may be; and no opportunity has been given him to get out and get the knowledge necessary to change his methods. The farmer is a conservative. Methods with him must be changed slowly. It takes actual ocular demonstration to prove to him that the method that you are advocating, which is new and strange to him, will actually do the things that you claim for it. In 1904, when the Mexican Cotton Boll Weevil was threatening that great industry in the South it was found that former methods must be radically changed in order to prevent the going out of existence of that crop, which is second only to corn in this country; that crop which largely goes to give this country the balance in trade, the greatest single cash crop of the United States. Farmers were lying idle, many of the farms were abandoned, and the crop production in the cotton States amounted to practically nothing, and it was necessary to take heroic measures to reestablish the cotton industry on a firm and sound basis in the face

of that pest. To do that it was thought best by the founder of this work to get in personal contact with the farmers, to teach them through a system of experts going to them and actually teaching them by demonstration on the farm. What they needed was expert and scientific knowledge with reference to the things that they must do in order to raise a crop of cotton under boll weevil conditions. That knowledge was taken to them, and they demonstrated it with their own hands, under the instruction of agents of the department, which resulted in their being able to produce as much cotton under boll weevil conditions as they had produced before when that pest did not exist.

Sometimes the average farmer thinks that conditions are untoward, and that it is Providence that is to blame for the things which he fails to do himself. It reminds me of the old preacher who was a good farmer as well as a preacher, and, when his congregation asked him to pray for rain, as they had not had much rain in that section for a long time and they were suffering for the lack of moisture, his prayer was: "Oh, Lord, in accordance with the petition of the people we pray Thee to send rain upon the land. But Thou knowest, Oh Lord, that what they need is not more rain, but more sense and more manure." (Laughter.)

If we get a mixture of sound sense in farming, with good practice in the converting of the knowledge we have already got in common universal practice, as I said before, we will change conditions. And so, through this agency system, the agent went not to one farmer in the county, not to one farmer in the community, but to a large number of farmers, taking from 40 to 100 farmers into the county and getting them to cultivate at first, because they were doubters, a small part of their farm, one acre, under their instructions, the agent always having the plan of convincing the farmer that this method was a better method than the old method that he had practiced. And so would introduce on this new acre a deeper plowing, better preparations of the soil, the value of better seed, carefully selected and carefully preserved, and the testing of the seed before planting to see that it had germinating power. He knew he could not use the fertilizer. The shallow cultivation of the property for the purpose of retaining the moisture in the soil was necessary to promote growth, resulting in 999 cases out of a thousand in the doubter being able with his own hands to raise twice as much on the acre he planted under our instructions as he did on the common acre on his ordinary property.

Last year in the State of Louisiana, for example, we had reports from over fifteen hundred—definite reports from over fifteen hundred of the men in that State so instructed through a system of agencies. The average production of corn of those fifteen hundred men on over five thousand acres of ground was 46 bushels of corn to the acre. The average of that State is 18 bushels. The average production of those farmers in cotton was nearly 1500 pounds of seed cotton to the acre, where the average of the ordinary farmer of that State is 500 and some odd pounds of seed cotton to the acre.

With a little beginning this work has extended all over the Southern States, and efforts, as I said before, to meet that great problem of enabling the farmer there to combat the boll weevil has now extended to the House of Congress, so they are able to conduct a modern scientific agriculture along all lines to the solving of the better agriculture of the State.

In these eight years this work has extended until we have now in the employ of the Department practically 850 field agents working in county communities, one man to a county, an expert, broad-minded, practical farmer who can go to the other farmers and show them how to raise crops and do a better system of work upon their farm than they have ever done heretofore.

This system is susceptible of development. When the

farmer is once convinced by the simple demonstration other steps of progress suggest themselves. The planting of the numerous crops for the purpose of building up the soil fertility, the getting into rotation of crops, the growing of more of the home supplies, the diversifying of the agriculture, naturally come from the suggestions of the agent, and each of these things is worked out through a demonstration which the man sees with his own eyes.

As the years progress with each farmer, as we work along with him, he develops wonderfully. I remember a circumstance last year when in the northern part of Mississippi. It was the town of Winona. When we were holding a meeting there a farmer in the crowd came and brought a stick of cotton and corn he had raised on his demonstration farm, and he had about all of his land under the instructions of the Government by that time, and he told how he used to raise three bales of cotton on his farm and about 450 bushels of corn, and never had corn enough to feed his stock through the winter, and that now he was raising 1,500 bushels of corn and 11 to 12 bales of cotton on his farm, that he was out of debt and that he felt doubly thankful to the Department for its service in educating him to what he called "beginning to be a farmer." A merchant standing near by said that is a fact. He said "Three years ago there was not a man that would trust Varner with a chew of tobacco, and now we run after him when he comes to town to sell him anything he wants on credit."

Another farmer in another State in the South undertook some five years ago to demonstrate he didn't believe that there was anything in this "book farming," but a very wide-awake capable agent of ours got in touch with him and got him to raise an acre of cotton. He got a bale for that acre. His average before had been about 200 pounds of cotton, or 2-5 of a bale. He next put in his whole farm under the instruction of that agent, and commenced to raise corn enough for his own use and through the planting of cowpeas and beans to improve his soil, and the result is that from being a bankrupt with \$800 of debt that man owns to-day 123 acres of land which is all paid for, has money in the bank, he is considered one of the best farmers in that section of the country, and best of all, whereas formerly he never took an agricultural paper or bulletin, he now takes six agricultural papers and all the bulletins he can get hold of. He used to think he could not send his children to school, that they must stay home and hoe cotton; now, every one of them is attending school—his eldest son being in attendance upon the Agricultural College of that State.

We have worked along this line until to-day, if you will examine the statistics, you will find in every Southern State except Texas and Oklahoma, the average production in corn is more than it has ever been in 40 years. The ten years' average of Alabama before the last three years was 13½ bushels of corn to the acre; their average to-day is 18 bushels. The average of the farmers instructed by us, as said before, 46 bushels. The average production of corn in Georgia, in the ten years prior to 1909, was 12½ bushels as I recall the figures, per acre; the average production in that State last year was 16½ bushels. From the year 1900 to 1910, the total production of corn in the Southern States was increased 150 million bushels in a country where they thought they could not raise corn. And it was this force of men in the field with the co-operation of the agricultural colleges and all other forces working in there which are responsible for that great increase in production. And best of all, in the season of 1911, when we had a protracted drought, while ordinarily under former conditions ten or fifteen years ago in the South, the production of corn would have gone down to less than ten bushels to the acre, the general production was held up and the total production of corn did not go back to the figures

of 1909, but kept, as I recall the figures, over 48,000,000 bushels more than 1909, even in an adverse season.

For these lines of instruction we want for an agent in each county a bright, capable man who understands the business and who knows about the agricultural products in the particular community. Of course we do not expect him to be an expert along all lines. Let me give you an illustration. In South Carolina, where our work is carried on in co-operation with the Agricultural College, we have sent some men from the Department. If hog cholera happens to break out in one of the counties, of course, we do not expect that man to be an expert and to solve that problem, but we do expect him to communicate with the Department expert at Washington instantly and he will attend to it. This gives you a little idea of how a corps of men in the field, practical men, can help the farmers.

Then, too, we have not neglected the boys. Six years ago, when we found that it was sometimes impossible to teach the adult farmer and that he would not be made to understand what we taught him, we thought we would try and get the boy to bring the old man in. So the organization of Boys' Corn Clubs was formed. We now have in the South 75,000 boys that are being directly instructed by the Department, with the co-operation of the Agricultural Colleges, and 10,000 farmers. The boy undertakes not to produce haphazard a corn crop, but to produce an acre of corn, a man's job, and to do it after the best modern methods. Why, last year, in Virginia, the boys averaged 62 bushels of corn to the acre while their fathers only averaged about 25 bushels to the acre. We had one boy in the South who produced 100 bushels of corn to the acre right alongside of his father who was only producing about 15 bushels to the acre. The prize is not given to the boy who produces the most corn, but it is given to the boy who produces the most corn at the least cost, to show him that it is a business proposition that he is engaged in. Then to tie it up with the schools, he must write an account of how he produced that corn. He is judged on the writing of that account, and then, because we want him to produce good corn, he must exhibit ten ears so that we can see that it is good modern corn and well selected. He is rated on all of those propositions, and it makes him keep a book account of what he is doing and has done. Our experience is that nine times out of ten it is the first thing that happens, that the old gentleman comes in to the plan because he sees that there is a way of calculating profit and loss in farming.

I remember last year in South Carolina a little red headed boy that wanted to go into one of our Corn Clubs. His father would not let him; he said that he needed every acre of land that he owned, but the other boys that were in the school were going into the Club and this boy begged his father so hard that the old man finally said, "If you want to go in the Club you can go up on the hillside there and grub you an acre. It was a rough timber country—that is, the big timber had been cut off and it was covered with brush. The boy was not to be daunted, so he took his axe and his hoe and went to work and grubbed an acre. His father was mean enough, after he had grubbed that acre to say that he wanted it himself and that if the boy still wanted to join the Club he would have to grub another acre. So he grubbed a second acre. Our agent was helping him all the time, and when he had the land prepared he showed him how to plough it and to make a good deep seed bed, and helped him to get hold of some improved seed corn. To make a long story short, the little fellow raised 80 bushels of corn on that acre against 8 bushels of corn that his father raised to the acre. The next winter the old man went to the Farmers' Institute with his boy, and now whenever any one gets talking about corn production to them he will

say, "Just look at me and John, what we went and done."

We expect for every boy that we get in these Corn Clubs to get in the father eventually and secure his co-operation, because we find that every time a boy cultivates corn he generally beats his father because he follows instructions implicitly and has no pre-existing ideas about how a thing ought to be done.

What we need is more teachers in the country that understand about country life. We do not want a teacher such as I heard of not long ago who asked a boy in school: "If a farmer had 12 sheep in a pasture and 5 of them jumped over the fence how many would there be left?" The boy replied "None." "You are wrong," said the teacher, there would be 7 left, wouldn't there?" "No," said the boy; "you may know a whole lot about arithmetic, teacher, but you don't know much about sheep."

In the Southern States now they are rewriting the arithmetics for the country schools and putting in problems based upon the work done by these boys in the Corn Clubs. They are also helping the girls, because they are educating them about the work that is done in the canning factories in the South, and prizes are given to them, too. Prizes are given to the children for their best efforts in these various respects. The champion prize in each State is a trip to Washington, where the children are introduced to the President of the United States, who always receives them with distinction, and they are taken before the Agricultural Committees of the Senate and the House and are given diplomas by the Secretary of Agriculture, who always speaks to them in fatherly terms. The object of that is to give the children an idea that there is something dignified in being a farmer; that there is more honor to be attached to the thing that they have done, that they have accomplished some real object in life that means better for them in the future.

Two weeks ago I was in Mississippi. We had two boys from the Corn Clubs there in a meeting of 600 farmers. Those boys told how they grew their corn, and the audience was informed that they might ask any questions they pleased of the boys. One farmer got up and asked a boy this: "You say that you have been growing corn for three years under the instructions of these agents. Have you grown the corn on the same land every year?" "No," replied the boy; "my father and I don't farm that way any more. We grow cotton on that land one year and corn on it another year and the next winter we put in oats; we rotate our crops so as to improve the land."

I had the pleasure a year ago of going to Minneapolis at the invitation of your Committee on Agriculture to attend the Conference there. There was organized at that meeting a movement in the State of North Dakota to inaugurate farm demonstration, and I have been in touch with work, and I am sure you will hear a report here of the success that has attended it.

I feel a very great interest in that work because of the fact that they asked me point blank whether it would work in that State, and I assured them that it would. I assured them that not only would it work there, but I told them that we have accomplished in the South where our work is supported one-half by the people and the other half by Congress, and the work is under the supervision of another officer in our Department, because the responsibilities of the work are so large and the work has grown so that more than one man has had to take over its direction. Under Professor Stillman we are undertaking to extend similar work in the Northern States. Before the last session of Congress there were a number of bills introduced looking towards the improvement in vocational and agricultural education for those people who could not attend Agricultural Colleges, and I doubt not that many of you are familiar

with the provisions of those various bills. It was a source of congratulation to us who had been working on the land in the South to realize that the inspiration for those bills came from the hard work that we have done to bring about a better agricultural condition in that section. Through a force of this sort in the field it is possible to materially change conditions, to institute new methods of farming, to study farm management in such a way as to establish a better system of farming to meet the needs of the people, to do it gradually and without any sudden revolution in general farming, and ultimately to establish such a system of agriculture as will maintain fertility of soil indefinitely and lead to better prosperity among the human family. The most

priceless heritage that we have is the soil and its fertility. I believe that the time is coming when, with a system of education of this sort, the common understanding generally will be that the man who owns an acre of land has not the absolute right to do with that land as he pleases; that he holds it in trust as a sort of food supply for the future, and, if he leaves that land at the end of his tenure, be it by death or otherwise, poorer than when he took it he will be an enemy of society. But he who takes an acre of land and holds it in trust, as it were, builds up its fertility and leaves it a priceless heritage to his family or to the people generally, that man will be blessed.

Committee Reports—Banking Section.

Annual Report of the General Secretary.

NEW YORK CITY, September 3, 1912.

To the American Bankers' Association.

GENTLEMEN: I respectfully submit my report as General Secretary of the American Bankers' Association for the fiscal year ending August 31, 1912.

Before entering upon a detailed statement of the business affairs of the Association, it seems appropriate to advert briefly to the part performed in connection with Bankers' Organizations in this country by the State and City in which we assemble for our Thirty-eighth Annual Convention.

Michigan and Detroit have been important factors in the early history and development of the American Bankers' Association and conspicuously identified with its achievements in recent years. The American Bankers' Association was formed in 1875, but it was preceded by an organization in Michigan, which entitles that State to the distinction of having been one of the pioneers in that line. A convention to organize the Michigan National Bank Association was held at the Russell House, in Detroit, December 4, 1867, and was largely attended by eminent bankers of the State, and the association then established was represented at a convention of the National Banks of the United States which was held at the St. Nicholas Hotel, in the City of New York, on the 23d of June, 1869.

Michigan was among the first States to organize a State Bankers' Association. This action was taken at the Russell House, Detroit, October 26, 1887, and that association is now one of the live, working bodies in the great galaxy of forty-six kindred State associations actively operating to-day throughout our land.

The State has been particularly prominent in the councils of the American Bankers' Association from the very inception of this organization. The late J. D. Hayes, of Detroit, Vice-president of the Merchants and Manufacturers National Bank, was the first Secretary, chosen at the preliminary organization at Saratoga in July, 1875, and attended many conventions, making several speeches on important subjects; and at the Saratoga Convention ten Michigan bankers were present and participated in its deliberations.

When the organization of this Association was perfected at Philadelphia, in 1876, a number of bankers from the State attended the session. All have since passed to the Great Beyond, with the single exception of C. J. Monroe, of Kalamazoo, who last year honored the office of President of the Bankers' Association of his State. Many of the leading men of the State were among those in evidence at national conventions, making addresses and joining in the debates. Senator and Governor Henry P. Baldwin, of Detroit, served as Vice-President for Michigan for eight years. T. H. Hinchman, of the same city, served in the same office for seven years. Frederick W. Hayes, also of Detroit, was Vice-President for his State and also a member of the Executive Council in 1893.

Among the older members of the Council from Michigan were J. D. Hayes, of Detroit, 1876, four years; Governor John J. Bagley, of Detroit, in 1880; Emory Wendell, one of the early bankers of Detroit and who is with us at our convention this year, was a member in 1889; Professor W. J. Cocker, of the University of Michigan, 1896, and H. J. Hollister, of Grand Rapids, in 1895. Other prominent citizens of the State who have taken part in the national conventions have been such men as O'Brien F. Atkinson, of Port Huron; Hon. Thomas M. Cooley, Chief Justice of the Supreme Court of Michigan; Hon. T. D. Gilbert, of Grand Rapids; Hon. E. S. Lacey, ex-Comptroller of the Currency; Hon. T. C. Sherwood, Bank Commissioner of Michigan, and Hon. J. S. Farrand, of Detroit. At a later period came George H. Russel, President of this Association in 1898; the present President, William Livingstone, and the General Secretary, who was elected in 1907.

Members of the Council from Michigan since the early days of the Association have been William Livingstone, of Detroit; Clay H. Hollister, of Grand Rapids; Fred. E. Farnsworth, of Detroit; John H. Johnson, of Detroit; L. G. Kaufman, of Marquette, and Emory W. Clark, of Detroit.

The Twenty-third Annual Convention of the Association was held at Detroit, August 17, 18, and 19, 1897, and was presided over by Colonel Robert J. Lowry, who responded to the addresses of welcome. The addresses of welcome were delivered by Hon. H. S. Pingree, Governor of Michigan, and Hon. W. C. Maybury, Mayor of Detroit, both of whom have passed away, and by George H. Russel, speaking for the Detroit Clearing-House. It seems peculiarly fitting and a pleasant coincidence that Mr. Russel, at this our convention of 1912, should make

one of the addresses of welcome, as President of the Detroit Clearing-House, and that the response should be made by his friend Colonel Lowry. It is gratifying that these fifteen years have dealt gently with these two chums, and that they are spared to be with us on this occasion.

It will not be inappropriate at this time to call your attention to some facts in connection with the American Bankers' Association and the City of Detroit, by way of comparison, during the period of fifteen years that have elapsed between the Twenty-third Annual Convention and the present, the Thirty-eighth.

Detroit, in 1900, occupied the sixteenth place in the population of the cities of the country; in 1910 it ranked ninth. In 1897, the totals of all the banks of Detroit were about \$72,000,000; in 1912, the totals of the banks of that city are about \$212,000,000, and it is unnecessary to add that the banks are on a sound basis.

Michigan was among the first States of the Union to organize a banking department. This department was established many years ago, modeled somewhat after the National Banking System, and it can now be pointed to as one of the best banking departments in the country. Before that time, Michigan had distinguished itself in its banking system, but in a different way. In an address made by Mr. H. H. Camp, before the American Bankers' Association at Saratoga, in 1879, on the history of the Western banks, Mr. Camp says, in speaking of Michigan:

In this State, as in Kentucky, loose or wicked legislation in the earlier years taught the people the necessity of caution. In 1837 a general banking law was enacted under the provisions of which circulating notes were issued to the amount of two and one-half times the amount of capital. And real estate, bonds and mortgages, and bonds of directors were accounted to be such capital. The Legislature also chartered several railroads at about this time, to whom it gave the right to issue currency, large amounts of which were issued under this authority, and ultimately proved worthless. Banks were required to have twenty-five per cent of their issues on hand in coin.

There were sixty to seventy banks organized under this law, which put out five million or more of their notes. There was a form of examination carried on by a State officer, who traveled about from bank to bank to count their coin; and I have been told recently by a veteran Michigan banker that in many cases the requisite amount of coin was raised by several associate banks and carried from place to place to be counted for each of the contributing banks. From all I can learn of the unwritten history of loose banking, I think Michigan could bear away the palm; it was in this State where "Wild Cat" banks were first known, and here also was the home of the "Red Dog." This latter term was descriptive of notes of banks which had changed their location, and, instead of issuing new notes—their new location was stamped with red printing on the faces of the notes originally issued.

These banks all very soon failed, and it is supposed that not over twenty-five per cent of their issues were finally redeemed.

At the convention at Detroit in 1897 there was an attendance of about 1,100, as the records show, and there is also a tradition that it was the most successful convention ever held by the Association up to that time. We estimate the attendance at this convention of 1912 to be from 3,000 to 3,500.

In 1897 our membership was 2,813. On the 31st of August, 1912, at the close of our fiscal year, the membership amounted to 13,323.

The total assets of the banks comprising the Association in 1897 were \$4,200,000,000. The total assets of the members of the Association to-day are estimated at \$15,000,000,000.

The Association receipts from all sources for the year ending August 31, 1897, amounted to \$86,000. For the year ending August 31, 1912, they aggregated more than \$215,000.

EXECUTIVE COUNCIL.

The Spring meeting of the Council was held at Briarcliff Lodge, Briarcliff Manor, New York, on May 6, 7 and 8, 1912. One day was given to the meeting of the Committees of the Association and the Sections, and two days to the Council. There were a few absentees from these meetings, and the members of the Council who could not be present were prevented from attending by illness or important business engagements. The attendance on the whole was eminently satisfactory. There was a marked interest and unanimity in the proceedings and a large amount of business was transacted. The entertainments furnished the visiting bankers and their ladies by Mr. Frank A. Vanderlip and his wife were lavish, and this meeting will long be remembered as one of the most successful in the history of the Council.

SECTIONS.

The work of the various Sections during the past year has shown activity and efficiency excelling their previous record in

this respect. This was but responsive to and in harmony with the general energy displayed all along the line in other branches of Association effort. The annual subscription dinner of the Trust Company Section held at the Waldorf-Astoria Hotel in New York on May 9, 1912, was an enjoyable affair. It is interesting to note that the first annual convention of that Section was held in the City of Detroit at the time of the Association Convention in 1897, which was well attended and pronounced a great success. At that convention a Michigan man was elected Secretary of the Executive Committee—Mr. Anton G. Hodenpyl, then Secretary of the Michigan Trust Company, of Grand Rapids, Michigan, and now a resident of New York City.

Mr. W. H. Kniffin, Jr., who succeeded the lately deceased Mr. William Hanhart, who was many years Secretary of the Savings Bank Section, in February last accepted an important banking position in Syracuse. Mr. Kniffin was succeeded by Mr. E. G. McWilliam. Mr. McWilliam has already proved his adaptability to this work, and has satisfied the officers of the Section that in selecting him for this office no mistake was made. Commencing with May 1, Mr. McWilliam has devoted all of his time to Section work.

The Clearing House Section has been active in following up the task outlined the previous year in the introduction of the numerical system and also in new fields of work pertaining to this Section's usefulness.

The American Institute of Banking Section held its annual convention in Salt Lake City the week of August 19, 1912. It was very largely attended and is credited with being the best convention the Institute has ever held. The Institute is developing more and more into what it was designed to be—an educational association. Mr. George E. Allen, the Educational Director, is insistent upon pushing this feature. He is frequently called from his office in New York to visit the Chapters, and has also willingly responded to the calls of several State Bankers' Associations to make addresses.

THE JOURNAL-BULLETIN.

Our monthly publication increases with each year, in popularity and favor with the members of the Association and the Institute, and from time to time we have been obliged to issue a larger edition and of increased size to fill the demand. Correspondence and personal contact with our members reveal the fact that it is considered one of the most valuable adjuncts of the Association. Its usefulness is enhanced by the various departments who contribute monthly to its pages.

The intrinsic worth to the Association of its own official publication and the advantages and benefits which accrue to a periodical of this nature were set forth by Professor Sidney Sherwood, Ph.D., of Johns Hopkins University, in an address at the 1893 convention, when he advocated the establishment of an official organ by the Association. Among other things, he said:

"What is needed is a systematic, persistent attempt to educate the whole people to understand what real services the banks render and are capable of rendering. It will then appear likewise how far short the banks are of realizing their potential efficiency. No better agency for this purpose can be suggested than an official organ of the American Bankers' Association. A weekly paper, ably edited, published avowedly in the interests of the Association, but free as air to the expression of all opinions, welcoming controversy and opposing views, and restricted to banking and monetary subjects, would be of great benefit to the Association and the country. It would give assured and lasting vitality to the Association. It would make the Association an aggressive force, compelling the attention of the people."

CURRENCY COMMISSION.

The Currency Commission has not convened during the year, except when it met at Briarcliff Manor for a consultation, but it has kept closely in touch with the work of the National Monetary Commission, it being deemed best not to be active until the measure now pending in Congress shall be up for hearings before the committees of the House and Senate. Most of the State Associations, however, at their annual meetings, have had addresses on banking and currency legislation, and during the sessions of 1911 a majority of the States passed resolutions favoring the plan of the National Monetary Commission. At the conventions of 1912 as many as thirteen States passed resolutions advocating the bill of that Commission or other advanced banking and currency legislation, and other State conventions of this year are yet to be heard from as to their action in this matter.

STANDING PROTECTIVE COMMITTEE.

The reports of the Standing Protective Committee, of the W. J. Burns National Detective Agency, Inc., and Department Manager L. W. Gammon, cover fully the year's operations of the Protective Department, which produced the most satisfactory results, and it gives me much pleasure again to testify to the earnest consideration of the business of this department which has been given by the Standing Protective Committee, who

have now served three years. The members of this committee have been painstaking and conscientious in the performance of their duties and are entitled to the full appreciation of the Association.

COMMITTEES.

The Administrative Committee has met frequently with the General Secretary in New York City and thoroughly considered the affairs of the Association under the powers given to them to act in the interim between Council meetings, and have been of great assistance and encouragement to me in the performance of my duties.

The standing and special committees of the Association have been alive to the interests entrusted to them, have been active and faithful, and earnest in their desire to aid in the important work assigned to them.

STATE ASSOCIATIONS.

There are forty-six State Bankers' Associations—Delaware, New Hampshire and Rhode Island not having yet organized. Every State Association is a member of the State Secretaries' Section, one having joined since my last report, thus completing the list.

The State Associations have been unusually prosperous and successful during the year and all report most excellent conventions, with unusually good attendances, and fraught with much benefit to their interests. As far as practicable, I have attended State conventions in various parts of the country, and have now visited substantially all of the State Associations since my election as General Secretary.

LEGAL DEPARTMENT.

The report of the General Counsel, Mr. Thomas B. Paton, deals comprehensively with the intricacies of the work in his charge. The demands upon his time and the legal opinions required have been more exacting and numerous than in former years. Mr. Paton has also given considerable attention to the requirements of the Sections and Committees. His opinions, published in the JOURNAL-BULLETIN, and which, as stated, have been greater in extent than ever before, are read by our large membership, and the favorable comments received by this office show the high valuation placed on Mr. Paton's efforts to serve the Association.

THE ASSOCIATION OFFICES.

In accordance with my recommendations of a year ago, which received the approval of the Administrative Committee and the Executive Council, a suite of offices was secured on the twelfth floor of the Hanover Bank Building, which building the Association has occupied for ten years. These offices were fitted up by the building corporation in conformity with our wishes and are eminently adapted to our purposes. The alterations were made without expense to the Association, and a lease was entered into for five years at an exceedingly reasonable rental. The offices were thrown open for inspection on July 10, and were visited by a host of bankers, their ladies, and their friends. They are in all respects in keeping with the dignity of the Association and its importance, and are a source of unqualified satisfaction to all visitors and especially to the large force now employed. It is gratifying to report the number of visitors to the Association offices grows with each succeeding year. The register shows that during the last fiscal year there were 884 visitors as against 535 for the previous year.

OUR LIBRARY.

In the past year, the establishment of a permanent library was begun and a competent librarian was placed in charge. Its usefulness has exceeded our most sanguine expectations, and, without question, it will be a feature strongly appealing to our extensive membership. It seems somewhat strange that, with an Association thirty-eight years old, a library had not been before established, and that up to five years ago the valuable material which came to its offices was not preserved. Hon. Lyman J. Gage, President of the Association in 1884, in his address at the convention held that year at Saratoga, had this to say about the importance of a library:

It must be recognized that an important practical view of the work of our Association is educational in character. Educational to many of us who feel a sense of incompleteness in much that is essential for us to know, and not to us only, but to that great body of untold men who will assume our responsibilities when we lay them aside. Thus we shall reduce abstract theories to rational practice, and out of wise practice we shall develop in turn broad and rational theories.

How can this practical object be best accomplished? I venture to suggest as a powerful auxiliary thereto a complete financial library. It would be a worthy work, quite within the scope of our direct aims and efforts, to establish at the proper point a grand library, which should contain all the valuable literature upon banking, general finance and political economy, and in which should be collected the published statistics of all the governments of the civilized world. Such a library would be a standing invitation to scholars from all countries to explore its hidden treasure, and would inspire the humblest of us all with new zeal in acquiring the information such a storehouse would contain. This accomplished, other branches of

practical work will naturally appear, and we may, at last, leave behind us some fitting monument of our associated desire to improve and benefit mankind.

The details as to what has been accomplished in the first year of our library's existence is set forth at length in the report of the librarian, which is herewith submitted.

ROUTINE WORK.

During the fiscal year just ended, there have been sent out from the General Offices more than 415,000 letters, circular-letters, documents, Proceedings, JOURNAL-BULLETINS, etc. This does not include what has been issued by the Sections and Committees. The following statement shows the volume of mail and express matter in detail:

Article.	Quantity.
Journal-Bulletins, including those of A. I. B.....	306,215
Codes	1,494
Signs	1,575
Lists of members.....	13,773
Pamphlets	625
Packages	440
	17,907
Letters	14,195
Circulars, printed and multigraphed.....	60,484
First-class mail other than letters, such as typewritten lists, printed programmes, etc.....	4,442
Total (mail matter)	403,243
Total of the 2nd, 3rd, and 4th class mail matter.....	324,122
Total of 1st class mail matter.....	79,121
Express packages	12,603
Grand total.....	415,846

MEMBERSHIP.

At no time in the history of the Association has there been so noticeable an increase in the membership as is shown in the tabulated statements which follow, these statements being compiled to the end of the fiscal year, August 31, 1912. Our membership at that date was 13,323 banks—an increase of 1,251 over the membership of the year before and an increase of 4,072 within five years, the period that your General Secretary has served you. The increase for the month of August was 433. A number of States, desiring to add to their membership on the Executive Council, made a campaign for this purpose. Seven of these States were successful in their efforts. Tennessee was the banner State in this respect, and increased its membership for the year 157, bringing it to a total of 300, as against a membership last year of 143. Next in order comes Missouri, with an increase of 91 and a total of 506, compared with 415 in 1911; and the remaining five States added to their membership as follows:

Iowaincrease 58, total 513, membership last year 455
Washingtonincrease 47, total 309, membership last year 262
Massachusettsincrease 42, total 304, membership last year 262
New Jerseyincrease 36, total 300, membership last year 264
Maineincrease 8, total 100, membership last year 92

To accomplish this result has meant loyal, systematic and hard work on the part of our Vice-Presidents and the members of our Executive Council, State Secretaries and their friends in these States, and to them unstinted credit should be paid. It has been contended by some that our Executive Council, as now organized and on its basis of representation, is too large. I do not believe this argument will hold good in an organization of the size of the American Bankers' Association. The increase in membership is not the only thing accomplished. A representative Council, on a basis of legislative bodies, like Congress and the Legislatures of our States, fosters and perpetuates a genuine regard and interest that could not be secured in any other way, and, with our plan of Sections and Committees, business can be conducted and questions can be thoroughly analyzed and reported to our Council (our legislative body) for action. The increase of membership in the various States mentioned will enlarge the Executive Council by seven members.

MEMBERSHIP.

August 31, 1911.....	12,072
* Erased from the rolls through failure, liquidation, consolidation and withdrawal.....	790
September 1, 1911, membership.....	11,282
August 31, 1912, new members joined during the year	1,581
* Regained members (secured from the above)....	460
	2,041
August 31, 1912, total membership.....	13,323
A net increase for the fiscal year of.....	1,251

A net loss for the year in failures, consolidations, etc.....	160
A net loss for the year in delinquents.....	170

Total net loss..... 330

Making the actual gain in new and regained..... 1,581

It will be observed that the loss from delinquents is exceedingly small. From a percentage standpoint, it is the lowest in the history of the Association, being 170 out of a membership of 12,072 at the beginning of the year, the delinquent loss for 1911 being 246.

The aggregate capital, surplus and deposits of our membership amount in round numbers to about \$15,000,000,000.

The membership and resources of the Association have increased as follows:

	Paid Membership.	Annual Dues.
September 1, 1875	1,600	\$11,606.00
September 1, 1885	1,395	10,940.00
September 1, 1895	1,570	12,975.00
August 31, 1905	7,677	127,750.00
August 31, 1906	8,383	137,600.00
August 31, 1907	9,251	150,795.00
August 31, 1908	9,803	162,507.00
August 31, 1909	10,682	175,352.00
August 31, 1910	11,405	188,934.00
August 31, 1911	12,072	198,530.00
August 31, 1912	13,323 (estimated)	213,168.00

Interest on bonds and corporate stock..... \$4,705.38

Interest on bank balances (estimated)..... 1,200.00

Estimated annual dues, August 31, 1912..... 213,168.00

Making total income, year ending August 31, 1912.. \$219,073.38

MEMBERSHIP

DIVISION OF BANKS IN ASSOCIATION AUGUST 31, 1912

State or Territory	Nat'l	State	Private	In. Cos.	Sav. Bks.	Total
Alabama.....	53	76	3	21	7	160
Alaska.....	2	8	2	0	0	12
Arizona.....	12	31	0	17	0	60
Arkansas.....	39	132	2	29	3	205
California.....	178	255	8	34	69	544
Colorado.....	108	75	9	17	7	216
Connecticut.....	71	11	8	29	47	166
Delaware.....	21	1	2	10	2	36
District of Columbia..	11	3	5	8	14	41
Florida.....	48	83	7	8	3	149
Georgia.....	81	278	7	17	14	397
Idaho.....	44	73	1	9	1	128
Illinois.....	304	237	222	62	27	852
Indiana.....	147	138	41	46	1	373
Iowa.....	170	120	53	15	155	513
Kansas.....	164	366	2	3	4	539
Kentucky.....	67	70	1	23	4	165
Louisiana.....	32	121	1	24	5	183
Maine.....	50	1	1	28	20	100
Maryland.....	77	27	22	16	26	168
Massachusetts.....	150	2	24	45	83	304
Michigan.....	83	137	49	6	131	406
Minnesota.....	159	193	8	4	6	370
Mississippi.....	28	115	0	15	5	163
Missouri.....	91	324	24	34	33	506
Montana.....	50	91	17	7	2	167
Nebraska.....	136	200	4	5	1	346
Nevada.....	11	15	0	0	0	26
New Hampshire.....	37	1	0	4	9	51
New Jersey.....	171	24	3	85	17	300
New Mexico.....	33	19	1	8	4	65
New York.....	364	239	186	90	89	968
North Carolina.....	52	69	1	23	4	149
North Dakota.....	87	151	0	3	1	242
Ohio.....	220	114	64	52	89	539
Oklahoma.....	148	171	0	10	1	330
Oregon.....	60	59	13	14	5	151
Pennsylvania.....	509	75	61	174	35	854
Rhode Island.....	17	2	2	19	6	46
South Carolina.....	23	100	1	7	15	146
South Dakota.....	71	134	3	6	5	219
Tennessee.....	Figures not available.					300
Texas.....	229	85	29	36	0	379
Utah.....	21	26	4	3	4	58
Vermont.....	39	0	0	17	14	70
Virginia.....	91	81	12	10	7	201
Washington.....	74	183	21	24	7	309
West Virginia.....	71	74	2	15	5	167
Wisconsin.....	113	193	2	10	15	333
Wyoming.....	29	35	1	5	0	70
Canada.....	0	16	1	0	0	17
Cuba.....	1	16	3	1	0	21
Hawaii.....	4	5	2	2	0	13
Isle of Pines.....	1	1	0	0	0	2
Mexico.....	0	20	1	0	0	21
Porto Rico.....	0	3	1	0	0	4
Philippine Islands....	0	3	0	0	0	3
	4,852	5,082	937	1,150	1,002	13,323

MEMBERSHIP BY YEARS.

YEAR.	Member- ship.	Gross Loss by Fail- ures, Mer- gers, Delin- quents, &c.	Net Loss by Fail- ures, Mer- gers, Delin- quents, &c.	Gross Gain.	Net Gain.
1897	2,813	371		982	611
1898	3,424	248		783	535
1899	3,915	211		741	530
1900	4,500	234		819	585
1901	5,504	200		1,313	1,113
1902	6,354	186		1,159	973
1903	7,065	313		1,139	826
1904	7,563	500		1,120	620
1905	7,677	1,038		1,152	114
1906	8,383	337		1,043	706
1907	9,251	434		1,302	868
1908	9,803	691		1,243	552
1909	10,682	760	374	1,639	879
1910	11,405	781	298	1,504	723
1911	12,072	1,304	405	1,971	667
1912	13,323	790	330	2,041	1,251

MEMBERSHIP OF STATES AND TERRITORIES HAVING LESS THAN 100 MEMBERS.

[As of August 31, 1912.]

Alaska	12	Canada	17
Arizona	60	Cuba	21
Delaware	36	Hawaii	13
Nevada	26	Isle of Pines.....	2
New Hampshire.....	51	Porto Rico.....	4
New Mexico.....	65	Mexico	21
Rhode Island.....	46	Philippine Islands.....	3
Utah	58		
Vermont	70	Total.....	575
Wyoming	70		

APPRECIATION.

To Hon. William Livingstone, our distinguished President; to Mr. Charles H. Huttig, our First Vice-President, and to Mr. Arthur Reynolds, the Chairman of our Executive Council; to Treasurer J. Fletcher Farrell, to the members of the Executive Council, to the various State Vice-Presidents and the Secretaries of the respective State Associations; to Assistant Secretary Fitzwilson and the entire and able force in our general offices in the City of New York—to each and all, individually and collectively, I wish to express my obligations for the most thoughtful consideration and friendly assistance along all the paths of executive action and official duty and endeavor, and my heartfelt acknowledgment of courtesies and kindnesses too many and varied to be recited but as appreciatively received and as gratefully remembered as they have been spontaneous and sincere in the spirit of their bestowal.

PROSPECTIVE.

We are beginning the deliberations of our Thirty-Eighth Annual Convention in the City of Detroit, famous as a convention city, for the hospitality of its citizens, and for the beauty of its location and environments, and we may feel well assured that our deliberations here will be completed with the prestige of the most successful convention in our annals. In order that the most generous preparations should be made for this meeting, the Detroit Clearing House, early in the year, called a conference of its banks and associated banks and outlined the details of Convention week. The local committees have been working assiduously and harmoniously with the general officers of this Association in fulfilling the duties devolved upon them, and have met every requirement, and they will be entitled to our warmest thanks for their untiring efforts in our behalf.

Detroit is my home, and I am confident you will agree with me that, in common with my fellow-citizens of this fair city and of the great State of Michigan, we have just reasons to be proud. It is with the utmost satisfaction, also, that, as I am rounding out my fifth year as your General Secretary, our Convention should be held in the city of my home and the home of your President, and that we may both point with pride to a year replete with deeds accomplished—achievements made possible by the unselfish and unbounded zeal and devotion of our official associates, our Executive Council, our Vice-Presidents and State Secretaries, Sections and Committees, and a loyal membership.

Respectfully submitted,

FRED. E. FARNSWORTH,
General Secretary.

Report of the Treasurer, J. Fletcher Farrell.

TO THE MEMBERS OF THE EXECUTIVE COUNCIL AND AMERICAN BANKERS' ASSOCIATION.

CHICAGO, ILLINOIS, September 3, 1912.

Mr. President:

The report of your Treasurer, covering in detail the receipts and expenditures from all sources, has been filed with your General Secretary. The report is somewhat lengthy, and, for the

convenience of the members, the General Secretary has had it printed, and a copy will be found in the pamphlet which has been distributed throughout the hall:

I assume that each and every member of the Association is more or less interested in its financial affairs, and I should, therefore, be pleased if you would give the report your careful perusal. It is not my purpose to occupy the time of the Convention by reading the detailed statement, but I desire very briefly to bring to your attention a few of the most important items:

The Cash Balance on hand September 1, 1911, was \$1,433.43. The total Receipts for the current year were \$215,719.11, and the total Expenses for the year was \$213,159.66, leaving a credit balance, September 1, 1912, of \$3,992.88.

In August your Treasurer received from the General Secretary 12,520 Drafts on account of the current membership dues aggregating \$205,592.50, all of which have been forwarded for collection. Owing to the fact that these drafts are dated September 1, 1912, which is in accordance with our Constitution, and which is one week prior to the date of this Convention, only a small percentage have been collected. However, we hope by October 1 to receive remittances from all.

The Association has its surplus funds invested in stocks and bonds, which are deposited with the Bankers' Trust Company, of New York, under control of the Executive Committee.

The Trust Company collects the interest on these securities and remits to your Treasurer for the credit of the Association account. The securities are as follows:

\$11,000 C., B. & Q. Joint 4's of 1921.
\$30,000 Atchison, Topeka & Santa Fe 4 per cent. Bonds of 1905.
\$50,000 Chicago, Burlington & Quincy, Illinois Division, 4 per cent. Bonds of 1949.
\$30,000 New York City Registered Corporation Stock, 3½ per cent., due 1940.

Under the authority delegated to it in the interim of meetings of the Executive Council, the Administrative Committee authorized the sale of \$10,000 Government 4 per cent. Bonds of 1925, the proceeds of which were to be converted into Chicago, Burlington & Quincy Joint 4's. The sale of the Government Bonds was made, and out of the proceeds on July 18, 1912, the \$11,000 C., B. & Q. Bonds, to which I have already referred in the list of securities held for the account of the Association, were purchased and the same was confirmed by the Executive Council. There is a balance of \$769.10 on account of this transaction, which is on deposit with the Bankers' Trust Company, and upon which the Association receives 2 per cent interest.

I hope that each member of this Association will carefully analyze the Treasurer's Report, and particularly the financial statement showing the appropriation and expenditures of the various sections and committees. To some who have not been closely identified with Association work these figures may perhaps seem large, but a careful perusal of the pamphlet referred to will, no doubt, convince you of the necessity of these expenditures.

It should also be remembered that the American Bankers' Association is a great and growing organization, accomplishing much good for all its members. This has been brought about by the hearty co-operation and active support of its members, for such an organization could never have been built up except through the loyalty and devotion of its members, and upon that its future depends very largely.

In submitting this, my first report, as your Treasurer, I desire to express my sincere thanks to General Secretary Farnsworth and Assistants in his office for the aid given me and the many courtesies they have extended. It has been a real pleasure to be associated with such competent and efficient men.

Respectfully submitted,

J. FLETCHER FARRELL,
Treasurer.

Report of General Counsel, Thomas B. Paton.

A survey of the year's work will be attempted.

BILLS OF LADING.

The progress made in the movement for State and national legislation to better safeguard bills of lading will be shown in the report of the Chairman of the Committee on that subject. General Counsel's part in connection with that movement will be briefly told. At a meeting of the Committee in New York in January which was attended by representatives of a number of commercial organizations, the Committee delegated to your Counsel the matter of arranging for hearings of the Clapp-Stevens bill pending in Senate and House, with power to use such steps and adopt such methods for the full presentation of the case as in his judgment were best. Early in February interviews were had at Washington with Senator Clapp and Congressman Stevens. The consideration by the

House Committee of Panama tolls and the Pure Food bill rendered early attention to the subject of bills of lading impossible, but in the Senate a hearing was set for February 16. Evidence was prepared and the attendance of a delegation arranged and an exhaustive presentation of the entire subject from the standpoint of banks, shippers and railroads was made to the Senate Committee on February 16, 17, March 1 and 2 and March 15. In addition to the Clapp-Stevens bill, the Uniform Bill of Lading Act introduced by Senator Pomerene with certain provisions of doubtful constitutionality as a Federal law omitted, was urged by the shippers' organizations as better suiting their needs. The bankers who have been urging the Uniform Bill for State enactment favored either measure, but were advised the shorter bill was the most practicable to be passed. On May 10 the Senate Committee reported out the Clapp-Stevens bill in modified form, but also reported the opinion of a number of their members that the Uniform Act was a better regulation of the entire subject. Within the last month, namely, on August 22, the Senate has unanimously passed the Pomerene bill, which is most gratifying, and the measure now goes to the House, where our efforts will be renewed at the short session next Winter.

The Uniform Bill of Lading Act, of which the Pomerene bill is an adaptation for Federal enactment, was drafted by Professor Williston of Harvard Law School for, and approved and recommended by, the Commissioners on Uniform State Laws. Professor Williston was associated with your General Counsel in behalf of the bankers at all the Senate hearings and bore the main brunt of the technical presentation of the subject. Chairman Hollister and Mr. Ingle were also in attendance and Mr. Sol. Wexler of our Committee made a most able and convincing argument in support of remedial legislation. The shippers' organizations were ably represented by Francis B. James, of Washington, formerly Chairman of the Committee on Commercial Law of the Commissioners on Uniform State Laws.

In aid of this legislation in Congress, your Counsel has conducted an active correspondence with bankers, representatives of commercial organizations and other interested persons, prepared a number of briefs and documents to be used at the hearings, as well as participating therein. He has also made a number of addresses in behalf of the proposed legislation.

In connection with the promotion of the Uniform Bills of Lading Act through the State Legislatures, your Counsel attended two hearings on February 3 and February 10 before the Committee on Courts of Justice of the House of Delegates in Virginia, and presented arguments in favor of the Act, being opposed by the attorneys for the Southern Railroad and the Atlantic Coast Line. This effort was successful to the extent of a favorable report of the measure by the Committee to the House of Delegates, but owing to the shortness of the session it was not reached on the calendar. Efforts have been made to procure this legislation in all the States which held sessions this year, excepting those where the law is already in force. The law has been passed this year by the State of Louisiana.

FALSE STATEMENTS FOR CREDIT.

Acting under the auspices of the Law Committee, efforts in behalf of the "False Statements for Credit" law have resulted this year in its passage in four additional States, namely, New York, New Jersey, Rhode Island and Louisiana. This law is especially valuable as a protection to banks in the larger cities of the country where a variety of forms in which credit is extended in reliance upon statements of condition, afterwards found to be false, do not subject the fraudulent borrower to criminal liability under the ordinary False Pretense statutes. The draft of this law is the joint production of Mr. Julius Henry Cohen, Counsel for the National Association of Credit Men, and of your General Counsel; it is equally valuable for the merchant as for the banker, and the Credit Men's Association have actively co-operated with this Association and with State Bankers' Associations in promoting its passage.

In connection with the enactment of this law in the State of New York, a draft of law amending the Forgery statute of that State was also specially prepared jointly by the above Counsel to meet the situation created by the decisions of the New York Court of Appeals in *People v. Isaacson*, 202 N. Y. 456, and of the Appellate Division in *People v. Brown*, 140 App. Div. 591. The statute as it formerly existed punished as forgery in the third degree the alteration or making of false entries or wilful omission of true entries in the books of account and other writings, with intent to defraud, but the New York courts held in these cases that the act was aimed merely at internal treachery, to punish the employee who falsified his employer's books, and did not make it criminal for an employer to falsify his own books. Books of account form the basis upon which statements of condition are made and where an accountant goes over the books and certifies, as was done in one of the above cases, that an attached statement of condition is true and correct "as shown by the books," such certificate is valueless and the statement, of course, misleading, where the books have been falsified. The proposed amendment drafted by Counsel was designed to cure the defect in the law by making the Forgery statute apply to employers, as well as employees, who falsify

books with intent to defraud. It was passed by the Legislature and signed by Governor Dix.

Your Counsel has aided in the promotion of the False Statement Law in the different States by an active correspondence urging its enactment and explaining its provisions and by the preparation of a number of special arguments designed to answer objections for use at critical stages in its passage through State Legislatures. The law has now been passed in thirteen States and will be actively urged during 1913 in a number of additional legislatures.

DEROGATORY STATEMENTS AFFECTING BANKS.

A successful effort was made this year to procure the enactment by the New York Legislature of our Association measure aimed to safeguard banks from unwarranted and malicious attacks upon their standing and credit by the circulation of defamatory statements or rumors affecting their solvency. It so happened that early in the year advices were received from three banks in different parts of the State complaining of malicious circulation of reports by particular individuals designed to place such institutions in a bad light. This evidence was gathered and with the co-operation of Mr. Ledyard Cogswell, Jr., of Albany, Chairman of the Committee on Legislation of the New York State Bankers' Association, was placed before the appropriate Committees of the Legislature and resulted in the passage of the law by both Houses and its signature by Governor Dix to take effect September 1. New York is the only State in which we succeeded in passing this law during the present year.

GENERAL LEGISLATIVE WORK.

All the measures recommended by this Association have been actively urged this year in the comparatively small number of States whose Legislatures met during 1912. Special pamphlets were prepared early in December, containing proposed laws and annotations, and these were forwarded in due season to legislative committees and secretaries of State Bankers' Associations. The Louisiana Legislature, in addition to passing the Uniform Bills of Lading Act and the False Statement for Credit law, passed our Association measure limiting the liability of a bank for payment of forged or raised checks to a period of one year. The Massachusetts Legislature also passed this last-named measure, broadening its scope by including bills of exchange drawn upon a bank and extending it beyond forgery of signature and raising of amount, to cover all payments by banks of negotiable instruments "made, drawn, accepted or indorsed without authority" or "materially altered." The Virginia Legislature passed the act relating to the payment of deposits in two names. Mr. George Bryan, Attorney for the Virginia Bankers' Association, rendered effective aid in this connection. General Counsel recently addressed the Vermont Bankers' Association upon the Negotiable Instruments law and the bankers of that State will make a determined effort to have the law passed at the forthcoming session of their Legislature. The report of the Law Committee will show more in detail the subjects of legislation in 1912.

General Counsel has been in correspondence with legislative committees of Bankers' Associations in a number of States, arranging for the vigorous promotion of bank legislation during 1913 and has supplied information relative to proposed general banking laws in certain of the States, as well as concerning other matters of legislation.

STANDARD BURGLARY POLICY.

During the year a revised Standard Form of Bank Burglary and Robbery Policy has been perfected and was copyrighted in the name of the Association in December last and is now in general use by the companies writing bank burglary insurance. Prior to its final completion your Counsel, representing the Committee having charge of the subject, had a number of interviews and conducted negotiations with a Committee representing the companies relative to the final settlement of the terms and provisions of the proposed policy and also went over and discussed its provisions with members of the Bankers' Committee. At its Spring meeting the Executive Council adopted a report of the Committee recommending that the companies "should be granted the privilege of writing this policy for all bankers after the companies have signed an agreement that they will show upon their policy in bold type that it is the copyrighted form of the American Bankers' Association and agree not to in any manner change the provisions of the policy without the authority of the Executive Council or any Committee specially appointed to safeguard the interests of the Association." The first stated condition is being lived up to by the companies, but they object to the last-named condition for the reason that changes are frequently called for to fit the needs and conditions of particular banks, most of which are favorable to and desired by the banks themselves, and that it is impracticable to first obtain in every instance the consent as proposed. The matter has been discussed in several interviews between your General Counsel and the Chairman of a Committee representing the companies and will be presented to the proper Committee of this Association for adjustment.

A. B. A. FIDELITY BOND.

In 1899 the Association copyrighted a standard form of Fidelity Bond which has since been issued by the Companies, under license, to members. At its Spring meeting, the Executive Council adopted a recommendation of the Committee on Fidelity Bonds and Burglary Insurance that General Counsel of the Association be authorized to make such changes in the form of Fidelity Bond as he finds necessary and to have a new form copyrighted in the name of the Association. In the last few years, due to competition between the Companies and other reasons, improvements and more liberal provisions have from time to time been made in their forms of Fidelity Bond and a few Companies are now issuing a very short form, containing but from three to four hundred words and eliminating most of the technical provisions and conditions formerly contained in such class of bonds. There have also in the last few years been a number of decisions rendered by the courts wherein suits for losses covered by Fidelity Bonds have been contested not alone because of some technical provision in the bond itself, but also because of alleged misrepresentations in the application and again in the certificates which have been required by many of the Companies as a basis of issuing a renewal bond. It is proposed before completing the revised form of bond to make a thorough examination of all the latest forms, as well as of all the decided cases on the subject. This work has been commenced, but is not yet finished and this report is simply one of progress. It may be found desirable to prepare not only a revised form of bond, but also a standard form of application and of any other blanks necessary to the issue and renewal of Fidelity Bonds, to the end that the interests of members may be safeguarded throughout.

THE SECTIONS

There has been co-operation with officials of the Sections of the Association in connection with their respective lines of work. Last Spring your General Counsel prepared, at the request and for the use of the Executive Committee of the Trust Company Section, a preliminary draft of a general Trust Company law with a view of providing ultimately, after discussion and revision, a standard or model for use in States needing that form of legislation. For the Executive Committee of the Clearing House Section, he has looked into the law as to the legality of banks of a clearing house forming a corporation for clearing purposes. Legal questions of especial interest to the Sections have been discussed with their respective Secretaries.

THE PROTECTIVE COMMITTEE.

Your General Counsel is called upon by this Committee for advice when occasion requires and is in constant touch with its representative, Mr. Gammon. There are many cases where members are victimized by fraud and false pretense, which are on the border line of criminality, and it becomes necessary to determine whether or not the offender has violated the criminal law of a particular State so that in case of violation, detective agents may be set immediately at work. These cases are referred to your General Counsel for advice. There are also many cases of forgery where it becomes necessary to determine upon which of several banks or parties involved the loss will fall, that the proper one to make the necessary affidavits to procure arrest may be known. Opinions are sometimes called for upon questions of jurisdiction for prosecution as between courts of different States, as for example, where a forged paper is issued in one State and paid in another. Considerable service is rendered the Committee on various matters of this kind.

OPINION WORK FOR MEMBERS.

The opinion work for members of the Association has grown to be very extensive. During the ten months since the November Convention, 247 written opinions requested by members in all parts of the country have been forwarded, covering a wide range of practical questions arising in the conduct of the banking business. Some of these questions have been of a hypothetical nature, but a majority have related to actual transactions in which some question of procedure, recourse, or liability for loss, has been involved. Many of the questions thus answered, relative to matters more especially of private concern and are not published, but the majority of opinions given are published in the monthly Journal of the Association that the entire membership may derive the benefit of the opinion given. Many of such questions are readily answerable and some are repeated from different sources, but many more involve a considerable amount of time for research. To give some idea of the nature and extent of subjects covered by these opinions space will be taken in this report for the following summary:

A number of questions have related to matters connected with the payment and certification of checks, notes and other instruments. For example: the right of a bank to pay or certify a check after banking hours; the position of a bank which pays a check after the depositor's death, including payment of checks signed under power of attorney without notice of death of principal; payment of certificate of deposit after payee's death; payment of certificate of deposit payable

to husband and wife after death of wife; the legal way of opening and carrying joint accounts to protect bank in paying survivor; payment of ambiguous checks; of checks indorsed by drawer but not by payee; consequences of premature payment of post-dated checks; right to refuse payment where signature does not conform to book; where statement of consideration altered; where check lacks payee's indorsement; payment of overdraft by mistake and bank's right of recovery; liability of bank to customer for refusing payment through error; payment of notes payable at bank; right of customer to stop payment; right of bank to stamp check "payment stopped"; payment of checks on blank forms of another bank; whether rule allowing 24 hours to accept applies to checks; cases where banks are and are not bound by oral acceptances, according to State laws, including certification over telephone; cases where checks and drafts are accepted by wire and where telegrams are or are not sufficient to constitute acceptance; non-obligation of banks to certify checks; payment of savings deposits where book claimed to be lost and the right to require indemnity.

Many other questions have related to the collection of paper, including questions involving presentment, protest and notice. Among these, the presentment of checks at branch banks; the proper place of presentment of note where makers have removed before maturity from address where payable; presentment of paper falling due on Saturday in certain States; questions of validity and necessity of protest and right to protest fees; liability of collecting banks in different States for defaults of correspondents; for sending checks direct to drawee and various other acts of negligence in connection with collection items; preference in assets of failed collecting bank; procedure as to protest where letter of instruction conflicts with draft; duty of collecting bank to send notices of protest to all prior indorsers or only to immediate principal; validity of clause on credit advice card that collecting bank may send items direct to payor; questions arising out of loss of checks in the mail, including upon whom the burden rests to procure duplicate and to give bond of indemnity therefor.

A number of opinions have been given in bill of lading transactions involving the degree of security afforded by bills of lading as well as the duty and liability of banks as collectors of B/L drafts. Among these are a bank's right to make claim for loss of goods where it has discounted a draft with only a straight bill of lading attached; the recourse of a bank whose messenger has lost a bill of lading which has afterwards found its way to the consignee who has obtained goods without paying for same; the rights of a bank as remote transferee of a false bill of lading against the indorsing shipper; the right of a purchasing bank to proceeds of B/L draft as against attaching creditor of shipper; the liability of an acceptor of a bill of lading draft; the duty of a collecting bank where the bill of lading allows inspection; the liability of a collecting bank forwarding a B/L draft through error to the consignee; for negligence in improperly surrendering goods; the rights of banks under special forms of bills of lading.

Numerous questions which have been made the subject of opinions grow out of transactions where the paper involved is in some form tainted by forgery. Among these are the recourse of a bank paying checks on which drawer's signature is forged as governed by the conflicting laws of different States; questions of right and liability growing out of payment of raised checks and of checks bearing forged indorsements; whether a person passing a forged check with Sunday date can be indicted; the liability of a person inducing a bank to cash a forged check for an alleged payee; the liability of a telegraph company for receiving and transmitting a forged order on which payment of money is procured; the payment of savings deposits on forged orders.

Numerous questions have been answered involving indorsements; the meaning of "prior indorsements guaranteed" and the nature and extent of liability under such a contract; whether indorsement "without recourse" applies to subsequent indorsers; responsibility of indorser "without recourse" upon forged instrument; the liability of an accommodation indorser before the payee for the capacity of the maker where infant, married woman or corporation; the propriety of sending a check back for payee's indorsement before forwarding for payment when indorsement guaranteed; the title of a bank to a note transferred by rubber stamp indorsement of payee's name and credited to payee where payee repudiates indorsement.

Banks are frequently garnished because of deposits or funds in their hands. The opinions on this subject include the garnishment of an account in the name of John Smith "agent" by a creditor of Smith; the validity of garnishment against bank of property in its safe deposit boxes and the liability of a bank where the proceeds of a collection have been garnished before remittance to its principal.

Other opinions have been rendered upon questions which have arisen between bank and customer. The payment of checks on firm accounts where there are differences between the partners; the liability of a bank to a depositor where it has given him cash for a deposited item and the depositor denies receipt of the cash; the right to possession of a certified check

which has never been used or paid and the necessity for use has ceased; the right of a bank to close the account of an objectionable customer; to charge an indorsed note to the maker's account; cases of responsibility of bank to customer and of customer to bank under varied states of fact; the right of a bank to refuse payment of a minor's deposit to his father; the liability of a bank accepting escrow's deposits.

Banks have presented many questions involving the construction and legal effect of particular instruments and documents. For example: the effect of a check "in full payment of note"; or payable to "John Smith only"; the effect of the words "duplicate unpaid" on a draft; of the doctrine that a check is an assignment; of the words "with exchange" on a check; construction of check payable to "John Smith bearer"; the validity and negotiability of forms of promissory notes and of voucher checks; the construction of interest clauses in notes; the legal effect of notes signed by two or more reading respectively "I" promise and "we" promise; the validity and sufficiency of forms of collateral notes and pledges; the status of savings bank passbooks and the rights of the assignee; the sufficiency of the form of signature "A. B. Cashier," to bind bank to a certificate of deposit and to a mortgage; suggestion for a form of deed with condition subsequent to secure payment of an annuity; the negotiability of a school warrant; the law governing payment of a note drawn in one State and payable in another.

Many questions have been answered which may be classed under the subject of the rights of holders and the liability of parties to instruments. Among these are enforceability of a note given by a person under guardianship and liability of an incompetent on his note before guardian appointed; recourse of purchasing bank against customer who signs draft in another's name at the latter's request; recourse of purchasing bank against drawer of stopped check; liability of drawer of check, procured by fraud, to an innocent holder; liability of a national bank upon promise of its president who sold bonds on commission that bank would take up bonds; liability of a national bank which guarantees A's draft on B; liability of a postmaster for misdelivery of a registered package of money; that a holder of a certified check has no preference over an ordinary depositor when the bank fails.

Various other opinions have been given involving questions relating to loans and discounts by banks; the security therefor, investments by banks and rights of banks in assets of a bankrupt, as against the trustee for creditors; among these the right of a national bank to hold real estate mortgage as security where borrower goes into bankruptcy; whether a mortgage given bank is a preference under the Bankrupt law; whether a bank may set off a bankrupt's deposit against his demand note; recourse of bank creditor on property inherited by bankrupt after adjudication; liability of directors for making bad loans; the limit of loans by national banks; whether certain transactions are to be construed as excessive loans under State laws; the power of a bank to give indemnity for the issue of duplicates for stolen stock certificates held as collateral; the validity of grain warehouse collateral where receipts issued by milling company on its own grain; questions involving rights of banks as holders of mortgages; rights of bank as mortgagee where wrong quarter section described in mortgage; right of bank which loans money to one of two joint makers that he may pay note, to be subrogated to securities in creditor's hands; necessity of power of attorney to bookkeeper to discount notes; right to dividends on stock.

A number of opinions have involved taxation of banks under the laws of different States and under the Corporation Tax law; the construction of reserve and other provisions of State banking laws; the competency of bank notaries as affected by the statutes and decisions in different States.

An extensive opinion of widespread interest has been given at request of several members as to power of a committee of Congress to compel a disclosure of the private affairs of banks and their customers. This has been separately published in pamphlet form.

A number of opinions rendered have involved matters of criminal law, among the most important of which to a considerable number of banks are those relating to the question whether a bank collecting a B L draft covering an interstate shipment of intoxicating liquor violates Section 239, U. S. Criminal Code, and whether the case is different where a warehouse receipt instead of a bill of lading is attached to the draft. Several opinions have also been given upon the validity and sufficiency of different forms of burglary policies and fidelity bonds submitted for examination. Finally, a review of the opinion work would not be complete without reference to many questions answered over the local and long distance telephones and by wire and also in personal interviews at the office of the General Counsel.

CERTAIN SUGGESTED REFORMS.

The numerous requests for opinions upon disputed questions growing out of the collection of checks and drafts as well as the conflicting laws of the different States governing responsibility of collecting bank for default of correspondent and of banks forwarding items direct to payer or circuitously by

methods not sanctioned by legal decisions, as well as the attempts of banks to secure relief from responsibility by means of clauses in pass books, deposit slips and credit advice cards, suggested to General Counsel some time ago, the desirability of framing for the approval of the Association a uniform code governing collection of commercial paper which, if enacted in the different States, would establish, first, that a bank receiving on deposit paper payable at a distance took the same as agent and not as owner or debtor, and would also limit the responsibility of the bank for correspondents to the selection of suitable agents and further provide rules as to methods of forwarding in harmony with reasonable banking customs. The benefits of such a code would be uniformity and simplicity in the law and relief of the first bank from risk and responsibility to its depositor for paper lost in the mail and for losses caused by the neglect or bankruptcy of subsequent collecting agents, as well as the legalizing of proper banking customs in the forwarding of paper for collection. A draft of such law was commenced several months ago, but has not yet been completed, owing to press of other duties. When the first rough draft is completed, it is proposed that its provisions be thoroughly discussed before it is finally submitted for approval.

The many disputed questions and the conflict and uncertainty of State laws relating to forged paper and also the uncertainty in the law concerning the position of a bank which receives on deposit or pays checks signed by an official agent or fiduciary to his individual order, further suggest the desirability of framing statutes which would regulate and simplify the rules of law governing these subjects. It is proposed to take up this work at the earliest practicable moment.

A further suggestion which has occurred to General Counsel, as the result of his correspondence with members, is the establishment under the auspices of the Association of a Court of Arbitration, governed by proper rules and regulations, to which disputes between members over matters of small amount might be submitted for decision or adjustment. There are many cases where differences arise between banks as to which is responsible for protest fees or should bear the loss growing out of mistake, fraud or forgery in connection with the collection of commercial paper or some other transaction, in which the amount is comparatively small and does not justify the expense of taking the matter into court. Each contestant believes its own side of the case to be right, fruitless correspondence often results and ill-feeling is sometimes engendered. Several cases of this kind have been submitted to your General Counsel by agreement of the parties. The suggestion would seem worthy of consideration whether the establishment of a Court of Arbitration, such as proposed, would be practicable and beneficial.

Report of the Executive Council, by Arthur Reynolds, Chairman.

NEW YORK CITY, September 3, 1912.

To the American Bankers' Association.

GENTLEMEN: While all proceedings of meetings of the Executive Council have been published in considerable detail in the JOURNAL and can readily be referred to by members of the Association, yet for the purpose of making our records complete, a formal and abbreviated report of that body's proceedings is customary, and I now take pleasure in presenting the same.

The very full attendance at the two meetings that have been held since our last Annual Convention testifies to the continued great interest felt by the members, not only in its own work, but in that of the Association as well.

Following the meeting of the Convention at New Orleans, the Executive Council met and was organized by the election of the following officers:

Chairman.....ARTHUR REYNOLDS.
General Secretary.....FRED. E. FARNSWORTH.
Treasurer.....J. FLETCHER FARRELL.
Assistant Secretary.....WM. G. FITZWILSON.
General Counsel.....THOS. B. PATON.

At this meeting there were present sixty-five members, which was regarded quite a large attendance for a meeting following a lengthy Convention.

At this meeting the Finance Committee presented the Budget, recommending the annual appropriations, covering the expenditures of the Association for the then ensuing year, which was approved.

The Finance Committee also reported the following, which was duly approved by the Council:

"The Committee has been confronted in its deliberations with an apprehension that there may be some unnecessary expenses by reason of different committees working practically on the same topic and with the same object in view, and hence recommended the incoming Finance Committee to consider carefully the subject of effecting such consolidations or eliminations as may be practicable to avoid the unnecessary expenditure of money and to place the whole finances of the Association on what would seem to be a better business basis, and to report at the Spring Meeting of the Executive Council."

The following resolution was also adopted:

Resolved: That the Chairman of the Trust Company Section, the Chairman of the Savings Bank Section, and the Chairman of the

Clearing House Section, appoint a committee of seven, one each from the Trust Company, Savings Bank, and Clearing House Sections, and four from the membership at large, exclusive of members of the Council, to consider and report to the Spring Meeting of the Council any amendments to the Constitution which in their judgment may be desirable, as well as any other amendments which may be submitted to them. And the following Committee was afterward appointed:

Representing Savings Bank Section: E. L. Robinson, Vice-President Eutaw Savings Bank, Baltimore, Md.
Representing Trust Company Section: E. Elmer Foye, Vice-President Old Colony Trust Co., Boston, Mass.
Representing Clearing House Section: Francis B. Sears, Vice-President The National Shawmut Bank, Boston, Mass.
From Membership at large: C. H. McNider, President First National Bank, Mason City, Iowa; E. C. McDougal, President Bank of Buffalo, Buffalo, N. Y.; Lucius Teter, President Chicago Savings Bank and Trust Co., Chicago, Ill.; Montgomery Evans, President Norristown Trust Company, Norristown, Pa.

The matter of an Investment Bankers' Section which was referred to the Executive Council by the Convention was laid over until the Spring Meeting of the Council.

The matter of the report of the Committee on Fidelity Bonds and Burglary Insurance, after being thoroughly discussed, was referred back to the Committee, with the understanding that a report would be made to the May Meeting of the Council.

At the second meeting of the Executive Council, held at Briarcliff Manor, May 7 and 8, the roll call showed seventy-two members present, being representatives from every section of the country. There were three sessions of the Council at this time and all were productive of excellent results.

While many profitable meetings of the Council have been held in the past, at no meeting was greater interest manifested in the various topics under discussion, or more business transacted, than at the one held at Briarcliff Manor. At that meeting there were presented over twenty reports of various officers, committees and Sections representing all branches of business to which the Association is devoted. Some of these were very lengthy and exhaustive in relation to the subjects to which they referred, and all of these have been published in full in the JOURNAL, and none of the officers, standing committees or sections failed to make proper and interesting report of their work.

The discussions of the various reports presented were debated at length, and the individual members of the Council were keenly alive to the importance of the work at hand. At no time in the history of our great Association has more conscientious and valuable effort been exerted. A continuation of such unselfish labor must result in bringing about a better understanding between bankers themselves and elevate the business to a plane of action never before attained.

In line with the many expressions from various members that the expenses of the Association were becoming very large and should be carefully considered in connection with all work undertaken by the Council or Association the Finance Committee introduced a resolution which was adopted, providing for the selection of members of various Committees, in so far as practicable, from members of the Council, thereby saving expenses of additional members to the meeting of the Council.

Your Chairman is in hearty sympathy with this and all other movements looking toward the conservative handling of the finances of the Association, and is of the opinion that all resolutions, introduced either in the Council or before the Convention, looking toward the creation of new committees for the handling of new undertakings, should not be entered into hastily, but should be given very careful consideration in order that the finances of the Association may not be unnecessarily dissipated, and that the greatest good may be accomplished with the means at hand.

All sections of the Association will, I am sure, be glad to co-operate, thereby placing the Association on an equal plane of efficiency with a reduced expense.

The Finance Committee made other recommendations for increasing the income and the curtailment of expenses which were adopted.

The Committee on Amendments appointed at New Orleans, as per resolution adopted at that meeting, reported at the Briarcliff meeting for favorable action the following changes:

1. The creation of a membership committee whose duty it shall be to pass upon the qualifications of candidates for admission to our Association. (Approved by the Council.)
2. A constitutional recognition of the office of General Counsel. (Approved by the Council.)
3. The formation of a new section to care for the interests of investment bankers. (Disapproved by the Council.)
4. A constitutional provision rendering the Chairman of the Executive Council ineligible for election to any other office within a year after his term of office shall have expired. (Approved by the Council—not to become effective until the year 1913.)
5. A provision permitting the Executive Council to group adjoining States for the purpose of selecting representatives on the Council. (Approved by the Council.)
6. By-law provision for an increase in the membership dues from private bankers and banking houses. (Approved by the Council.)

Also some other amendments necessary to put these recommendations into effect.

The thanks of the Council was extended to the Committee, which was continued.

The matter of a section for Investment Bankers was discussed at Briarcliff and upon vote was disapproved by the Council, the feeling being that it would be unwise to create a new section at this time.

As provided in the New Orleans meeting, the Committee on Fidelity Bonds and Burglary Insurance made a report to the Council at Briarcliff, in which they made a number of recommendations and asked to be discharged. Their report was adopted and the Committee was discharged, subject, of course, to the action of the Convention.

In conformity with the recommendation of this Committee, the Chairman was authorized to appoint a permanent committee of three to keep in touch with the rates charged by the companies and the general situation, and from time to time make recommendations to the Council. Complying with this resolution, the following representative gentlemen were named as members of this Committee:

Mr. R. E. Jams, President Easton Trust Company, Easton, Pa.

Mr. O. E. Dunlap, President Citizens' National Bank, Waxahatchie, Tex.

Mr. John J. Sherman, Cashier Citizens' National Bank, Appleton, Wis.

The reports of the various sections indicated much activity, together with a harmonious co-operation for the general good of all bankers.

The Law Committee made a very exhaustive report, indicating much time spent and labor involved, covering the conditions under which savings deposits are received throughout the country, and the character of the investments which are now being made with such deposits.

The Committee also outlined what they regarded as appropriate investment for savings deposits, and took up quite fully the question of segregation of such deposits.

No special recommendations were made except the Committee believed the question of segregation of savings deposits should be taken up at this Convention, which was not approved by the Council, it being believed that it would be impossible to reach anything like unanimous action at this time.

The Committee on Agricultural and Financial Development and Education gave a very interesting report and the following resolution was introduced and adopted:

"Whereas, At least twenty State Bankers' Associations in as many different States are appointing or have standing committees working for agricultural development and education; and,

Whereas, the American Bankers' Association, of 12,500 banks, has shown its deep interest in agricultural and other efforts in its behalf by appointing a standing committee on agricultural development and education; and,

Whereas, These committees and associations are working for the field demonstration bill now before Congress.

Therefore, be it resolved, By the Executive Council of the American Bankers' Association that it hereby recommends to the Congress of the United States now in session the adoption of legislation and liberal appropriations in aid of such work."

The work of the Protective Committee of the Association has continued unabated through the year in furthering one of the prime purposes of the organization. Through the vigilance and activity of this Committee thefts from our members and friends in their various forms have become so hazardous to the perpetrators that instances of that character have materially diminished.

Their efforts are appreciated, the more so from the fact that any work done or action taken by them necessarily does not come into the limelight of public attention, while their only reward is the approbation of the Association.

Without attempting to go further into detail, it may be said that every other report offered at the Briarcliff meeting was one of interest and created a deep sense of feeling for the responsibilities of all members present.

I cannot pass the report of the Currency Commission, in which I have had a deep personal interest since its organization, without commendation of their strenuous efforts for proper and necessary reforms.

It would seem, notwithstanding the labor and attendant expense of the Monetary Commission appointed by the Congress of the United States and the aid extended the Commission by the independent bankers of the country, that the political horizon has not yet sufficiently cleared to expect any modification of the currency laws,—so much desired, not only by bankers, but by other great business interests. Many of us had hoped, in view of the fact that the operation of the Aldrich-Vreeland measure expires in 1914, that some action would be taken by Congress, looking to that permanent reformatory legislation, to which the people are entitled. In this we have been disappointed.

The opening of the Panama Canal in the near future is certain to change the commercial geography of the world, and the United States should be in a position to take rank with other great countries in banking and commerce. Without

change in our laws this will be impossible. Under present conditions we may consider ourselves fortunate if we take care of our own affairs without trouble, much less take on our proper share of business under the changed conditions in commerce, which must certainly intrude when the great oceans are connected.

Not only this, but the culmination of similar great enterprises in times past have been followed by seasons of depression—if not panic—what then must this country expect in the future?

Shall we be compelled to use all our efforts to care for business at home, while foreign nations absorb the commerce which by nature of the change should be ours?

I fear our legislators have not realized their responsibility in their failure to act.

It should be the prime object of the American Bankers' Association to demand and urge remedial legislation along some proper line, and the Currency Commission should be urged to continue the work even though we seem to be laboring under many adverse conditions. I believe the people will ultimately meet the situation in some proper way.

The American Bankers' Association has become a recognized factor in public affairs touching the interests of which it is the representative in this country.

Its influence is not only felt at home, but is recognized abroad. It has enrolled in its membership the broadest and brainiest business men of the country, and its policies and principles are in accord with the closest students of finance of the Nation.

It is indeed an honor, which I desire gratefully to acknowledge, to be associated as an officer in this great Association with men of such character.

We may feel assured that any work undertaken by them in the past will be pushed to the final and correct conclusion with that same spirit of unselfish devotion and disinterested effort that has marked their course to the present time.

Respectfully submitted,
ARTHUR REYNOLDS,
Chairman Executive Council.

Report of Standing Protective Committee.

NEW YORK, September 1, 1912.

To the Executive Council and Members of the American Bankers' Association:

Your Standing Protective Committee submits herewith its annual report for the fiscal year ending August 31, 1912.

FINANCIAL STATEMENT.

The financial statement covers the cost of the Protective Features for twelve months, and will be published in detail in the pamphlet containing financial statements.

ARRESTS, ETC.

For the period covered from September 1, 1911, up to and including August 30, 1912, your Committee begs to report as to its operations against criminals, as follows:

Total cases not disposed of arrested prior to Sept. 1, 1911.	79
Total arrests since Sept. 1, 1911.....	249
	328
Convicted	145
Released, escaped, killed and died.....	58 203
August 30, 1912, awaiting trial.....	125

Since the beginning of the fiscal year, September 1, 1911, up to and including August 30, 1912, there have been 39 burglaries, attempted burglaries, hold-ups and sneak thefts reported on members, and 96 similar crimes on non-members, as follows:

	Mem- bers.	Non- bers.		Mem- bers.	Non- bers.
Alabama	1	1	Nebraska	1	3
Arizona	1	..	New Hampshire..	1	..
Arkansas	3	6	New Jersey.....	1	..
California	2	1	New York.....	2	1
Colorado	1	1	North Carolina..	..	3
Georgia	5	2	North Dakota....	..	1
Idaho .....	..	1	Ohio	3	5
Illinois	2	11	Oklahoma	3	19
Indiana	1	2	Pennsylvania ..	..	1
Iowa	1	9	South Carolina..	1	..
Kansas	1	..	Tennessee	1	1
Kentucky	1	1	Texas .....	..	11
Maryland .....	..	2	Utah .....	..	1
Massachusetts ..	1	..	Virginia	1	2
Michigan	1	..	Washington	3	2
Minnesota .....	..	4	Wisconsin .....	..	1
Missouri .....	..	3	Wyoming	1	..
Montana .....	..	1			

It can be seen from the above table that the "yegg" burglar and hold-up man (professional) has been most active in the States of Arkansas, Illinois, Oklahoma and Texas against non-

members, as there have been very few attacks in those States on members.

Of the 39 attacks on members, 3 were successful burglaries, 27 unsuccessful burglaries, 7 hold-ups, and 2 sneak thefts. In some of these attempted burglaries entrance was not even gained to the bank, and in most of them no explosives were used.

Of the 96 attacks on non-members 78 were burglaries or attempted burglaries, 16 hold-ups, and 2 sneak thefts. They were practically all made by professionals, amateur attacks as a rule not being reported to this Department.

The loss by attacks on members by burglars amounts to \$3,375.36, while the loss from attacks on non-members by burglars amounts to \$147,422.99.

The above figures do not accurately represent the number of attacks upon non-members, nor do they give the actual losses sustained by such banks as the result of the depredations enumerated. These statistics are necessarily incomplete because of the difficulty encountered in gaining information from the banks in question. We submit, however, that a careful comparison of the above two statements tells its own significant story.

The following figures are given for your information of reported and attempted burglaries on banks since the inauguration of the Protective Feature, such as are known:

Non-Members	1,352	Loss	\$1,917,300.47
Members	284	Loss	197,789.90
Difference.....	1,069		\$1,719,510.57

On September 1, 1909, when the Protective Department was established and the present Protective Committee accepted their appointment, the records of the General Secretary's Office showed a membership of 10,682, and at the close of the present fiscal year ending August 31, 1912, the records showed a membership of 13,323, making a net gain of 2,641. This gain in membership as reported by the General Secretary's Office is very gratifying to this Committee, as it shows that the banks of the country realize more than ever the benefits to be derived from the Protective Feature of the Association.

Relative to forgers and bogus check operators, but very few of our members have been defrauded during the past year by professionals, and practically two-thirds of the cases reported were the operations of amateurs.

CORRESPONDENCE.

The Proective Department has received during the past year 15,972 reports and other communications from our Detective Agents; they have also received 1,260 letters and telegrams, and have written 3,365 letters and telegrams. These figures do not include circular letters and similar communications.

PHOTOGRAPHS.

The Department now has 1,912 photographs of "yegg" burglars, hold-up men, sneak thieves, forgers and bogus check operators, with a complete record of each one.

OFFICERS OF OUR DETECTIVE AGENTS.

When our Detective Agents—the Wm. J. Burns National Detective Agency—less than three years ago undertook the contract to handle our criminal work, they did not have any offices of their own. They now have nineteen offices, located at Los Angeles, and San Francisco, Cal.; Denver, Colo.; Atlanta, Ga.; Chicago, Ill.; New Orleans, La.; Baltimore, Md.; Boston, Mass.; Detroit, Mich.; Minenapolis, Minn.; Kansas City and St. Louis, Mo.; New York, N. Y.; Cleveland, Ohio; Portland, Ore.; Philadelphia and Pittsburgh, Pa.; Houston, Tex.; and Seattle, Wash. They also have the following correspondents:

Iowa, Des Moines.....	Gust J. Patek Detective Agency.
England, London.....	Arrow's Detective Agency.
France, Paris.....	Calchas & Debisschop.

With what has been accomplished by this Agency in three years, it is evident that the operators against banks stand in fear of the sign and the policy of the Association to pursue relentlessly depredations against their members. We feel that the Wm. J. Burns National Detective Agency, Inc., is entitled to much credit for the satisfactory results from their work, and commendation is due them.

Mr. L. W. Gammon, Manager, will read his report to the Executive Council, which covers matters pertaining to the Protective Department other than those contained in this Committee's report.

Mr. Gammon's administration of the work of the Protective Department has now extended over three years, and again we wish to commend his valuable services. He is indefatigable in his labors and thoroughly interested in every phase of his duties, earnest and painstaking, experienced and resourceful, and we believe that in the inauguration of his department a long step was taken in the right direction.

The William J. Burns National Detective Agency, Inc., will make a detailed report of the work accomplished by them during the past fiscal year. This report will be published in the

Annual Proceedings, and also printed in pamphlet form for distribution at this Convention.

For more detailed information as to particular cases referred to, we respectfully refer you to the monthly JOURNAL.

All of which is respectfully submitted.

THE STANDING PROTECTIVE COMMITTEE,
FRED. E. FARNSWORTH,
Secretary.

Report of the Committee on Bills of Lading, by Clay H. Hollister, Chairman.

At the last Annual Convention of the Association, held at New Orleans in November, your Committee on Bills of Lading reported among other things the introduction of the Clapp-Stevens bill relating to bills of lading in the first special session of the 62d Congress—in the Senate by Senator Clapp (S. 957) and referred to the Senate Committee on Interstate Commerce, and in the House by Congressman Stevens (H. R. 4726) and referred to the House Committee on Interstate and Foreign Commerce. This is the measure which was originally drafted by the Counsel of the Association and which we were successful in having passed by the House of Representatives in the 61st Congress in June, 1910. This bill was confined to correcting the common law in certain vital particulars in which it failed to make the bill of lading in many cases a reliable security in the hands of the banker or merchant who advances value upon faith of the statements therein contained. The most serious of the defects of the common law proposed to be remedied by this bill is the doctrine which prevails in all the Federal courts and in a number of State courts, that although a bill of lading acknowledging the receipt of prescribed goods is issued by the authorized agent of a carrier and passes to a bona fide holder for value who takes it relying upon the truth of the statements which it contains, the carrier is at liberty to show the fact, whenever it is a fact, that the agent never received the goods but issued the false bill through mistake or fraud or as an accommodation to a shipper, and upon such showing free himself from responsibility on the ground that the agent had no authority to issue the bill of lading before the goods were received.

We also reported at the last Convention our success in urging the Uniform Bill of Lading Act before State Legislatures and that such Uniform Act had already been passed in that year and the preceding year in nine of the States. The Uniform Bill of Lading Act was drafted by Professor Williston, of Harvard University, and is one of a series of five uniform commercial acts which have been drafted for, and approved and recommended by the Commissioners of Uniform State Laws. It is in effect an entire code of the main rules of law relating to the issue, transfer and redemption of bills of lading, including in its provisions in substance, though in different terms, all the provisions of the Clapp-Stevens bill.

The efforts of your Committee during the present year have been devoted to urging these bills of lading reform laws before Congress and State Legislatures.

A meeting of the Committee was called in New York on January 16. Several members of the Committee and several representatives of shippers' organizations also were present. Plans were discussed for urging the proposed legislation and the duty of carrying out such plans, the arranging for legislative hearings and the collecting and presentation of evidence at such hearings was delegated to our Counsel, Mr. Paton. At this meeting a suggestion was made to your Committee that it might be possible to obtain the co-operation of the railroad interests to a Bill-of-Lading Measure fashioned along the line of our request, which also permitted the railroads to make a charge for the extra service which they claimed would thus be rendered to the shipper. This suggestion was made in such way that it seemed advisable to submit it to all members of the Committee by mail, and this was done. The reasons for and against the proposition were outlined and the whole matter was submitted in detail to each member of the Committee. The consensus of opinion seemed to be that it was not wise to undertake the treatment of that important phase of the question in our bill; that the question of rates was one which might be properly settled by the Interstate Commerce Commission; and that if the railroads could show that there was an extra service, that they had their recourse through this Commission.

The next meeting of the Committee was held in Washington on the evening of February 15. This was preliminary to the first hearing before the Senate Committee on Interstate Commerce. Three hearings were held, consuming five days, on February 16 and 17 and on March 1, 2 and 15. The bills under discussion were Senate Bill 957, the Clapp-Stevens bill; and there were also before the body Senate Bill No. 4713, which had been introduced by Senator Pomerene, of Ohio, being a copy of the Uniform Bills of Lading Act approved by the Commissioners on Uniform State Laws for State enactment, modified in certain respects to adapt it for Federal legislation. The hearings were in charge of the attorneys for the bankers and shippers. Professor Williston conducted the case for the bankers; Mr. Paton was associated with him. There were present other attorneys representing shippers' organizations. Mr. James of

Cincinnati presented the case of the shippers, who were urging the passage of the Pomerene bill. The discussion went on at great length, very many witnesses for shipper, banker and railroad being called. The result of this hearing, as far as our Committee is concerned, was the final modification of the Clapp-Stevens bill by a short draft presented by Messrs. Williston and Paton to Senator Clapp, the Chairman of the Committee. This short bill was drawn because of the apparent willingness on the part of the Senators to report some short measure, which was not complicated and seemed to meet the necessities of the situation. This modified draft provided responsibility of the railroad for the act of his agent in issuing false bills; liability on order bills not taken up when goods delivered, and took care of duplicate bills.

During the course of the hearings the bankers were asked to state their preference as between the Pomerene and the Clapp-Stevens bill. They stated that the Pomerene bill was perfectly satisfactory to them, being the same law the bankers were advocating in the different States, but that their advices from members of the House were that the shorter measure was the only one practicable to be passed; therefore they favored the latter.

While these measures were pending in the Senate our Committee made earnest efforts to have the Clapp-Stevens bill taken up by the House Committee, but owing to conditions of business in that Committee this was found impossible.

On May 10 the Senate Committee on Interstate Commerce reported out the Clapp-Stevens bill (S. 957), in a modified form different in certain respects from the modified draft submitted by our Counsel, but yet satisfactory to the bankers. Accompanying the bill, the Committee made the following report:

"It is not considered necessary to make an elaborate report on this bill. For several years complaints have been numerous, and growing more so, based upon the fact that the agents of railroad companies would issue bills of lading when the company had not, in fact, received the goods. These bills of lading, attached to drafts, would oftentimes be used as a basis of credit, and their use in this manner forms a very large factor in our commercial transactions. In fact, some of the greater products could hardly be handled without the use of the bill of lading. The Supreme Court of the United States in *Friedlander v. Texas & Pacific Railroad* (130 U. S. 416) held that the carrier was not liable for the act of the agent in issuing the bill of lading where the carrier had not, in fact, received the goods.

"Considerable testimony was taken upon this subject, which will be found in Senate Document No. 650 present session.

"Two bills were pending before the committee, one being the one herewith reported, designed to simply establish a rule of evidence making the carrier liable for the recitals in the bill when issued by an agent authorized to issue a bill of lading, the other covering that point and also relating to the obligations and rights of the transferors and transferees of bills of lading.

"While several members of the committee, including the member making this report, favor the latter plan, yet it was felt that it might be better at this time and be more likely to result in present remedial legislation to report the bill dealing only with the rule of evidence, and therefore the committee has directed the chairman to report S. 957, with certain amendments set forth in the report."

It developed that the shippers' organizations were not satisfied with the reported bill because it was said to omit certain things necessary to safeguard the interests of shippers and receivers of goods, especially because it contained an unsatisfactory "shippers' load and count" provision. By arrangement with the shippers' organizations a conference was held in Washington, on May 21 and 22, at which our Committee was represented by Mr. Ingle and by Messrs. Williston and Paton. The shippers announced that they would oppose the short bill which had been reported and urge the enactment by the Senate of the Pomerene bill. The bankers' attitude was stated to be thus: that we favored remedial legislation on bills of lading, preferably the Pomerene bill if it could be passed but without abandoning our advocacy of the Clapp-Stevens bill as a measure which would sufficiently satisfy the bankers in the event it should develop that the latter would receive the most votes in either House or Senate.

A week before final adjournment of the Senate on August 21 our Committee were much gratified to receive advices that the Senate had on that day passed the Pomerene bill by unanimous vote. The measure now goes to the House Committee on Interstate and Foreign Commerce, where it will be urged by our Committee at the short session of the 62d Congress next Winter. Our latest advices from members of the House Committee on Interstate and Foreign Commerce are that that Committee is not favorably inclined toward the Pomerene bill, while they do favor the Clapp-Stevens bill, and that the House will not consider the Pomerene bill without additional hearings before the Committee, which would not have been necessary had the Clapp-Stevens bill come to them from the Senate. It is to the interest of every member of this Association to do all in their power to urge the passage of the Pomerene bill by the House at the next session in order that the banking and commercial interests of the country may have placed on the Federal statute books before the close of the present Congress a measure so long sought for and so much needed.

With regard to the promotion of the Uniform Bill of Lading Act in the different States our Committee would report that we have made active efforts this year on behalf of this law before

a number of State Legislatures and we are glad to announce that the Uniform Act has been passed this year by the Louisiana Legislature. This makes ten States now having the Uniform Bills of Lading Act, namely, Maryland, Massachusetts, Connecticut, Illinois, Iowa, Michigan, New York, Ohio, Pennsylvania and Louisiana.

In the State of Virginia our Counsel, Mr. Paton, attended two hearings before the Committee on Courts of Justice of the House of Delegates at which he presented arguments in behalf of the Uniform Act, being opposed by Counsel for the Southern Railroad and the Atlantic Coast Line. He secured a favorable report from the Committee, but unfortunately the session closed before the measure could be reached on the calendar of the House of Delegates.

The delays in getting remedial legislation are very tedious, but there is a growing feeling in Washington that these measures are worthy, and while the railroads maintain a definite opposition to them they themselves realize that sooner or later we will get a satisfactory law enacted. Messrs. Ingle and Wexler of our Committee have both been of great service in advice, counsel and effort. Patience seems to be the prime virtue required, for our contentions are worthy and will soon impress themselves upon a body which listens first to the indistinct voice of the people and then to the more thoughtful logic of those who are doing constructive and enduring work in legislation. We cannot speak too highly of the quality of thought that has been given to these vexed questions by Messrs. Paton and Williston, our counsel in the case.

Report of the Currency Commission.

To the American Bankers' Association:

GENTLEMEN: It has seemed wise to the Currency Commission of the American Bankers' Association to follow in its activities the lead of the Congressional Currency Commission, which has had the general subject of currency and monetary reform under consideration for several years past, and which has made an exhaustive investigation and research of conditions both in our own country and the other leading commercial nations, all of which data has been reported to Congress and been made accessible to the general public. This Congressional Commission has also formulated a general scheme of financial reform embodied in proposed legislation now pending before Congress.

We had confidently hoped that some tangible results might be obtained from the session of Congress recently closed; in this, however, we were disappointed. It has seemed to us wiser to work for the desired change in our laws through the various local commercial and civic bodies with which we are connected—the National Citizens' League, chambers of commerce, etc.—believing that we were more likely to obtain results by supplementing the efforts being made by Congress itself, rather than undertake separate or independent work.

It is idle to hope for general legislation of such an important character in a short session of Congress. We may, therefore, fairly conclude that there is no hope for the accomplishment of results except at the hands of the Congress and administration to be elected this Fall. We can proceed more intelligently and efficiently after the result of the election is known and we have an opportunity to confer with and become acquainted with the resulting "powers that be" and learn their purpose and intention.

We make this report in explanation of our seeming inactivity, and in order that the American Bankers' Association may know that we appreciate the importance of the subject and the responsibility resting upon ourselves as members of its Currency Commission. We are satisfied that we have pursued a politic course and we trust the judgment of the Convention will approve the same.

Respectfully submitted,
A. BARTON HEPBURN, *Chairman.*

American Institute of Banking Section.

To the American Bankers' Association:

The American Institute of Banking Section embraces 12,917 chapter members and correspondence students who are undergoing the process of education with more or less system and seriousness. The success of chapters in large cities has created the impression that the Institute is solely a city proposition, and correspondence instruction among country bankers therefore remains latent through lack of publicity and promotion. The advantages of personal association among students outside of chapter cities are unattainable except through attendance at Institute conventions, but it is confidently hoped that the Institute spirit may be extended by the association of country students in a Correspondence Chapter of constitutional standing, and closer relationship thus established between country and city bankers. So far as actual acquirement of knowledge is concerned, correspondence study is equal in results to the work done in a majority of city chapters, and manifestly superior to the work done in many such organizations. New chapters are desirable in about a dozen sizable cities, but wherever it is impossible to maintain substantial membership correspondence

instruction seems to be more expedient than chapter association. A Correspondence Chapter has therefore been established for the purpose of putting country students upon an equal and identical footing with their city brethren. Chapter organization is thus made uniform and universal.

Practical experience has demonstrated the fact that Institute success depends upon adherence to the constitutional objects of (1) educating bankers in the theory and practice of banking and such principles of law and economics as apply to the banking business, and (2) establishing and maintaining a recognized standard of banking education by means of official examination and the issuance of certificates. The standard study course of the Institute as crystallized by the process of evolution has become recognized as the universal basis of Institute work. The fact should be understood, however, that the purpose of the study course thus established is to provide elementary education for thousands rather than advanced education for hundreds or less, and that graduation as evidenced by the Institute certificate should be regarded as the beginning rather than the end of Institute activity. In other words, the Institute study course represents educational necessities rather than educational luxuries. Such fundamental work, however, has so stimulated the spirit of investigation that a system of post-graduate study has been established for the benefit of Institute graduates and other mature students of banking and kindred subjects.

To carry out the purposes thus described and to improve some of the details of Institute administration, the following amended form of constitution has been adopted subject to the approval of the Association:

ARTICLE I. The American Institute of Banking Section of the American Bankers' Association shall be devoted to (1) the education of bankers in the theory and practice of banking and such principles of law and economics as pertain to the banking business; (2) the establishment and maintenance of a recognized standard of banking education by means of official examinations and the issuance of certificates of graduation.

ARTICLE II. A system of post-graduate study shall be established for Institute graduates and others who desire educational work supplementary to the standard course of study upon which the Institute certificate is based.

ARTICLE III. Members of the Institute shall consist of duly authorized chapters whose individual members shall subscribe for the official publication of the Institute through their respective chapter treasurers at the rate of seventy-five cents a year, payable in monthly installments. Duly enrolled students and graduates of the Institute outside the confines and suburbs of chapter cities and not members of any city chapter shall constitute the Correspondence Chapter.

ARTICLE IV. Fellows of the Institute shall consist of Fellows already constituted and such Institute graduates, not exceeding fifty annually, as may be elected by the Institute Executive Council. Fellows shall pay to the Institute annual dues of two dollars.

ARTICLE V. Associate members of the Institute shall consist of institutions that are members of the American Bankers' Association. For each Associate Member of the Institute thus constituted the Institute will accept from the American Bankers' Association annual dues of seventy-five cents payable in monthly installments.

ARTICLE VI. The Institute shall hold an annual convention at such time and place as may from year to year be determined, in which convention each chapter shall be represented by delegates on the basis of one delegate for each twenty-five members or fraction thereof and one delegate-at-large, computed in accordance with the records of chapter membership in the general office of the Institute thirty days before such annual convention. Members of the Correspondence Chapter who are Institute graduates shall be entitled to vote individually at any Institute convention upon personal attendance.

ARTICLE VII. A President, a Vice-President, a Secretary and a Treasurer of the Institute shall be elected annually by the Institute in convention from chapter members, and no incumbent of any of such office shall be eligible to consecutive re-election to the same office. Officers of the Institute thus elected shall serve for respective terms of one year or until their successors are elected and qualified.

ARTICLE VIII. The government of the Institute shall be vested in an Executive Council of seventeen members consisting of (1) the ex-President, the President, the Vice-President, the Secretary and the Treasurer of the Institute, ex-officio; (2) six members of the Executive Council elected by the Institute in convention from chapter members so arranged that two may be elected annually for three years; (3) six members of the Executive Council elected by the Convention from Fellows, so arranged that two may be elected annually for three years. Members of the Executive Council shall be ineligible to consecutive re-election.

ARTICLE IX. The Executive Council shall meet in annual session on the day before the annual convention of the Institute. The Executive Council shall also meet immediately upon adjournment of the annual convention of the Institute and from members thereof other than the President and Vice-President elect a Chairman and Vice-Chairman qualified to represent the Institute in the Executive Council of the American Bankers' Association. At other times the Executive Council may transact business by mail.

ARTICLE X. The Executive Council shall appoint an Educational Director and other employees as required to serve during its pleasure. Under the administration of the Executive Council, the Educational Director shall (1) direct the educational work of the Institute, (2) conduct the official publication, and (3) perform such services for the Secretary and the Treasurer as the Executive Council may prescribe.

ARTICLE XI. Subject to the approval of the American Bankers' Association, this constitution may be amended at any annual convention by a two-thirds vote, provided that notice thereof shall have been submitted to the Secretary of the Institute at least thirty days before the annual convention, published in the official publication of the Institute and submitted to the Executive Council of the Institute for report to the convention.

The arrangement under which members of the American

Bankers' Association are constituted Associate Members of the Institute Section provides necessary revenue and incidental supervision, and the amalgamation of the Institute Bulletin and the Association Journal has proved to be a mutually satisfactory medium of publicity. The cordial relationship between the Institute and the Association and the personal friendship between the officers and employees of both organizations are appreciated.

Following is a statement of Institute finances for the fiscal year ended August 31, 1912:

RECEIPTS.	
Balance on hand September 1, 1911.....	\$1,717.35
Bulletin subscriptions less exchange.....	8,470.63
Institute study course.....	3,276.66
Fellowship dues, per capita tax and incidentals.....	2,716.19
Associate Membership dues (A. B. A.).....	8,613.00
	<hr/>
	\$24,793.83
EXPENDITURES.	
Convention and administration.....	\$3,489.59
Salaries and instructors' fees.....	7,252.52
Bulletin and printing.....	8,503.80
Traveling expenses of Educational Director.....	1,128.00
Postage (\$331.19) incidentals (\$497.10).....	828.29
Rent of general office.....	572.85
Study course revision.....	880.00
	<hr/>
	\$22,655.05
Balance on hand September 1, 1912.....	2,138.78
	<hr/>
	\$24,793.83

Respectfully submitted,
F. A. CRANDALL,
Chairman.

Report of the Library and Reference Department.

The Library and Reference Department was created to provide a central place for the systematic collecting, preserving and making available of that information relative to banking subjects for which the National Association of American Bankers is naturally considered the source of supply to its own members, the press, students of finance or the general inquirer. The work of development began November, 1911, and the technical details of organization during these first ten months of its existence have, of necessity, occupied time and attention which can later be devoted to the broadening of that usefulness which seems to have already justified its establishment.

The original collection of less than 400 volumes has been increased to 1,500. Of these additions 6 have been made by purchase, 50 by binding, and the remainder by gifts and exchange. Including two valuable sets of financial periodicals loaned by the Bankers' Publishing Company. The present collection consists chiefly of A. B. A. and State Bankers' Association Proceedings, State bank reports, Government documents, bound financial journals, and general reference books. More general books on banking will be added as occasion requires, and as seems consistent with the belief that, at least in the initial stages of the Department's development, expensive duplication of the ample resources of the large college and city libraries should be avoided and efforts concentrated on those functions peculiar to a specialized library relating to banking practice.

In making a library of this type a selection of banking information rather than a collection covering the broad field of finance, the acquisition of material most pertinent to live subjects of current interest has been considered of prime importance. As such subjects are seldom covered in book form until their period of timeliness to the banker has passed, it follows that pamphlets, press comment, addresses, magazine articles or the personal opinion of individuals in correspondence, etc., constitute the form in which desirable material must be sought. Securing the material in various ways from widely scattered sources, and the general routine of caring for it when received need be only alluded to as requiring considerable time and technique.

Six thousand, six hundred and twenty-six pamphlets, clippings, magazine articles, etc., have been mounted and filed in the Library in such form that they can be loaned through the mail to any banker requesting their use in the preparation of addresses, papers, or other reference. This material is in such demand that the records show it has been loaned from Canada to California and from Alabama to Australia. When the original material cannot be sent, typewritten copies are made, or supplementary reference lists compiled.

After books, etc., are received they are classified by a system adapted to the needs of a banking library, and catalogued on cards by author and subject. A single article or address may contain facts and figures of reference value on several subjects, and the care required to make this information available is in-

dicated by the fact that four thousand entries were necessary to adequately catalogue merely the A. B. A. and State Bankers' Association proceedings. An index of valuable articles on banking in the standard financial magazines will be added to the general catalogue, as well as a record of the statistical data on such subjects in the Comptroller's reports since 1876.

Among the library's other resources are included pictures of bankers with such biographical data as it has been possible to secure; representative examples of bank advertising, and interior and exterior pictures of banks for the use of bankers in designing or remodeling buildings. As time permits, this growing collection will be supplemented by bank plans, studies of lighting, equipment, etc. Material of any kind is, of course, available at all times to the needs of Sections, and the savings bank clipping files have recently been consolidated with the general collection through co-operation with the Secretary of that Section.

But as much valuable information relative to the development of banking in the United States is not available in printed form, efforts are being made to secure from original sources personal reminiscences of bankers, anecdotes, comments or summaries of local and national phases of banking history while the opportunity exists. In this way the Association should eventually possess an unusual fund of interesting facts scarcely to be assembled elsewhere.

So little has been published on the detail of banking practice that one of the library's most important efforts is the genesis of a comprehensive collection of such information as will be otherwise unobtainable from a central source, and will be useful to bankers for comparison of methods and results.

But the Library Department must be both a collecting center and an active agency for the distribution of its resources. The answering of daily inquiries at the library or by correspondence involves research work, making of reference lists, compilation of statistics, and the sending out of material through the mail or by messenger. The demand for information on certain subjects is anticipated as far as possible, and special collections prepared and called to the attention of members through press or personal notices. As a public clearing house for publications of current interest, the Department has sent out over five hundred pamphlets on currency reform and similar subjects to bankers, libraries and individuals upon request, and has recently arranged to distribute the publications of the International Agriculture at Rome on foreign agricultural credit system. Press articles on the work of the Association have been prepared by the librarian, who is also interested in co-operating with existing agencies for the extension of certain of the Association's activities.

With many details omitted, the work of these first few months thus briefly outlined should be regarded as merely preliminary and the results accomplished as only suggestive of the broader opportunities for service to the members of the Association which time and increased resources will develop.

Respectfully submitted,
MARIAN R. GLENN,
Librarian.

Report of Committee on Agricultural and Financial Development and Education.

Your Committee begs to report progress during the past year.

On February 29 we appeared before the House Committee on Agriculture and on March 1 before the Senate Committee on Agriculture and Forestry, urging federal aid in bettering the farming conditions in this country. The bill under discussion was the Lever Bill, appropriating money from the federal treasury to aid the several States in demonstration work upon the farms. The government has been doing this work in the cotton States for several years, and the results obtained have been remarkable. We feel that all the States in the Union should receive the benefit of this kind of work, and, while we were greatly pleased that the government was doing this work for some of the States, we saw no reason why it should limit its activities to the cotton States, when all sections of the country are sadly in need of additional work of this character. We were accompanied by several gentlemen representing the State Bankers' Committees on Agricultural Development and Education, and were accorded every courtesy by both the House and Senate Committees, and feel that we accomplished the object of our visit, which was to impress upon Congress the fact that the business men of this country, as well as the farmers, were vitally interested in this subject and expected Congress to do the fair thing.

During the year just passed, your Committee has been instrumental in securing the appointment of standing committees from twenty State Bankers' Associations, which, in addition to the ten already in existence last year, gives us standing committees on Agricultural Development and Education from thirty State Bankers' Associations, representing the States of Alabama, Arkansas, Colorado, Florida, Idaho, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Montana, Nebraska, New Jersey, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, South Carolina,

South Dakota, Tennessee, Texas, Virginia, Washington, West Virginia and Wisconsin.

On August 7 and 8 of this year the second annual conference of these Committees was held in Minneapolis and St. Paul, and twenty-three States were present in the conference by Committees representing 17,000 banks. It was a most enthusiastic and instructive meeting; the addresses, which were delivered by the best authorities in this country, covered the better part of two days. You will be impressed by the way the delegates attended to business from the fact that the first day's session opened at 10 o'clock, with one hour for luncheon, and adjourned at 5 o'clock, when the delegates were taken by cars to Minnetonka, given a dinner, and returned to their hotels about 12 o'clock that night. The second day's session opened at 9 o'clock in St. Paul, with one hour for luncheon, and adjourned at 7 o'clock in the evening.

The proceedings of this conference, making a book of 368 pages, is just from the press and 25,000 copies were ordered by the delegates present for the use of the bankers of their respective States and others interested. As an educational meeting nothing like it has ever been held in this country, and we expect the report of the conference will become a text book for bankers and others who wish to become useful in their own community in spreading the doctrine of practical education along agricultural and industrial lines.

Speakers were provided by your Committee for some twelve Bankers' Associations' Conventions and throughout the country the Bankers' Associations were urged to devote considerable of the time of their Conventions to the discussion of agricultural problems in their own States. This has made the meetings interesting and instructive and will bear much fruit.

One State held its annual Convention in an Agricultural College and the entire proceedings, with the exception of one address on the Currency Commission Report, was devoted to the subject of agricultural development and education.

Our principal work, up to date, has been in arousing public sentiment on this question, and so thoroughly has this been done in one State where a Committee has been at work for three years, that during that time eighty-five high schools have put in courses in agriculture, domestic science and vocational training, and forty-six consolidated rural schools have put the elements of agriculture and industrial training into their courses. This work was done in Minnesota, where the people are thoroughly in favor of a system of education that will fit the needs of the people, and the changes would come still more rapidly were it possible to get competent teachers to give instruction in these subjects.

A very much more comprehensive bill than the Lever Bill is the Page Bill, which not only makes provision for demonstration work on the farms, but provides for the training of teachers in the science of agriculture, industrial training and domestic science. The absolute scarcity of teachers in these practical subjects is the greatest drawback to our introducing these subjects into our schools and colleges. The Page Bill received the unanimous endorsement of the delegates present at the second annual conference.

The Committees from North Dakota and Illinois have done excellent work in their States, the Committee from North Dakota being awarded the first prize at the conference for the most effective work done during the past year. Their work has been largely accomplished through aiding in the passage of laws in the Legislature and in furthering the better farming movement of that State, which is described at length in the proceedings of the conference.

In addition to the work carried on in this country by the Committee, we beg leave to report that two of the members of our Committee, Honorable Myron T. Herrick, of Ohio, and Edwin Chamberlain, of Texas, have spent considerable time in Europe, at their own expense, studying the great land banks in Germany, France and other countries, with the idea of informing this Association, and, through them, the people of this country, of the benefits derived by the people of those countries from a scientific system of farm financing.

Your Committee wishes to thank the officers of this Association for their co-operation during the past year, an evidence of which is seen by the fact that Friday morning is to be devoted entirely to the discussion of this problem.

We feel that our work is only fairly started and expect, before the close of next year, that every State Bankers' Association will have a standing committee on this subject, and your Committee expects to co-operate to the best of its ability with these several Committees, to the end that our people will realize that our much-vaunted public school system is sadly lacking in its equipment to give our boys and girls the kind of education most suited to our day and age, and that through some such measure as the Page Bill we may prepare our teachers and our schools to turn out efficient, self-reliant young men and women, fitted to fill their place in life.

JOSEPH CHAPMAN, Chairman.

Report of the Law Committee.

The Law Committee has been engaged in promoting the passage in the various States of laws protecting banks and banking transactions approved by the Association.

These laws have been printed in separate pamphlets, with annotations prepared by the General Counsel and statement of the reasons for their enactment. Copies have been forwarded, briefs and arguments prepared, and much correspondence carried on with Bankers' Associations in the eleven States, where Legislatures were in session in 1912, and nine of our laws were enacted, as follows:

An act to punish the making or use of false statements to obtain property or credit: Louisiana, New Jersey, New York, Rhode Island.

An act to punish derogatory statements affecting banks: New York.

An act fixing liability of a bank to its depositor for payment of forged or raised checks: Louisiana, Massachusetts.

An act relating to payment of deposits in two names: Virginia.

The uniform Warehouse Receipts Act: Louisiana.

Appended to this report (appendix I.) is a summary prepared by the General Counsel, which gives the text of the above Association measures as recommended, and as passed in different States, and (appendix II.) a summary of State legislation in 1912 affecting banks, other than that recommended by this Association.

In addition to its regular duties under the constitution as above, this Committee in May, 1911, was instructed by the Executive Council to investigate fully the subject of special investment for savings deposits. This investigation covered nearly a year and entailed a large amount of correspondence. The Committee also gave nine hearings, each attended by from ten to fifty bankers, in Detroit, Cleveland, Chicago, St. Paul, Des Moines, St. Louis, Louisville, New Orleans and New York, at which the subject of the investment of savings deposits and their segregation from commercial deposits was thoroughly discussed. A pamphlet summarizing the points there brought out at their hearings was prepared and sent to every member of the Association, with a request for expressions of opinion on various phases of the subject; 3,119 of the members replied, and a tabulation of their views showed 1,447 to be in favor of the segregation of savings deposits and 1,489 to be opposed to it.

The Committee reported fully and finally on the subject to the Executive Council in May, 1912, and their report was ordered to be printed in pamphlet form.

Respectfully submitted,
PIERRE JAY, Chairman.

Report of Committee on Forms for National and State Banks.

Your Committee on Forms for National and State Banks begs leave to submit its report, as follows:

As reported to the Council at the Spring Meeting, the remaining work of assorting and compiling the forms from among the many thousands submitted by members of the Association has been undertaken by Secretary Wolfe, of the Clearing House Section, since it was found impractical to call a meeting of the members of the Committee together and expect that the vast amount of mechanical work could be accomplished in a short time. The result has been not only a greater degree of economy, but also greater progress in the matter of eliminating duplications and undesirable specimen forms.

The forms are now ready for a final selection, which will consume but a short time, so that the completed work will be ready for the press in the near future. While the book is in the hands of the compositors, the members of the Association will be canvassed to determine the number of subscriptions which may be expected. As has been done in the case of Trust Company and Savings Bank Forms, non-members will be able to secure the book at an additional cost.

At New Orleans the Executive Council appropriated the sum of \$4,500, with authority vested in the executive officers to increase this if necessary by not exceeding \$3,000 to carry the work of this Committee to a completion. Of this appropriation there has been expended on account of traveling expenses of the Committee during the year, \$233. We would respectfully recommend that a like sum, \$4,500, be appropriated, together with authority to increase this if necessary by not exceeding \$2,000. This appropriation would be in the nature of working capital, since it is proposed to sell the book of forms at a price that will reimburse the Association for its expenditure.

The Committee had hoped to be able to present a final report at this meeting, but the work has proved to be of such magnitude that this was found to be impossible. However, with the new arrangement mentioned for completing the task, more definite results may be expected shortly.

Detailed Report of Proceedings.

THIRTY-EIGHTH ANNUAL CONVENTION HELD AT DETROIT, SEPT. 10 TO SEPT. 13, 1912.

FIRST DAY'S PROCEEDINGS.

MORNING SESSION.

Tuesday, September 10, 1912.

WILLIAM LIVINGSTONE, President, presiding.

The President: The convention will please come to order. The blessing will be invoked by Bishop Frederick D. Leete. Please stand.

Invocation by Bishop Frederick D. Leete:

Oh Lord, our God, we thank Thee that we are permitted to gather together for the functions of this great occasion. We thank Thee for this body of distinguished men gathered from all sections of a great country to transact business of supreme importance to the commercial safety of the Nation, and of great importance to business and welfare. We would not venture to assume the duties of this occasion without first stopping to lift our minds to God, the Giver of all good things, and we desire to offer all praise for that land in which we live, for the age in which our lives have been cast, and for the great prosperity which attends those sections of the country which are represented here to-day. Thou art the giver, Oh God, of every good and perfect gift, and those material blessings which have come to us in such showers have come to us not simply because we have might of hand and might of mind, but because we have a God of infinite wisdom, love and power, and we would return to Thee the thanks for all good things, and we would pray to Thee, our Father, that Thy blessing may attend all this session of this great and important convention, and that Thou grant, Oh God, Thy wisdom to the world, we pray that for the nations of the earth they may be ruled by righteousness and truth, and by those wise laws of commercial living which shall bring prosperity to all men. We would especially pray for the land we love, and for those who guide these great and important interests. May wisdom be given to the President of the United States and all his counselors, and to all those who have authority over us in the nation. And, our Father, we would not forget to pray for this great commonwealth in which we are gathered at this time, and we would ask Thy grace to rest upon the commonwealth of the State, upon the Governor of the State of Michigan and upon those who are his coadjutors in office, that they may be guided by the wisdom which cometh from above, and we would ask Thy grace, our Father, for this beautiful city which we love and in which there have occurred so many important gatherings in the past, and none more important, perhaps, in many years, than the one which is meeting here to-day. Grant Thy blessing to Detroit and give to it in the years to come great wisdom and great advantage in all good things. And, our Father, we pray Thee now for this meeting and for the president of this great body, this man of pride and honor and truth, may he be attended with Thy grace, may all of his assistants in this responsible task feel that God is with them in the discharge of their functions and duties. Now, our Father, we pray Thee that during this meeting we may be given wisdom and insight into the great problems which shall be presented here, and we pray Thee that the men constituting this body, whose lives represents so much intelligence, receive Thy guidance, and we pray Thee that in the midst of all the affairs which are secular and sordid, even in our great duties, we may realize that there are things spiritual; we pray Thee, oh God, that in the midst of all things worldly we may preserve our idealism. We pray that during the time of the stay of this convention these men of great importance in our national affairs may so conduct themselves while in this city that they may impress the young men of the city of Detroit and the State of Michigan with those high moral principles which we find so largely inspired this body in all the transactions of its business. Now, our heavenly Father, we ask that this body may be granted favorable weather, that there may be great hospitality, and that when the days of this session shall be ended all the men composing this body may return to their great duties at home with a new inspiration for truth and honor and righteousness, may they go back in such health, also, of mind and soul, as they hope to find in the dear ones whom they have left at home. And these things we ask in the name which is above every name—in the name of Jesus Christ, our Lord and Savior. Amen.

The President: Gentlemen of the Convention: It affords me great pleasure to introduce to you the chief executive of the State, the Honorable Chase S. Osborn, Governor of the State of Michigan.

Address of Welcome, by Hon. Chase S. Osborn, Governor of Michigan.

Mr. President, Bishop Leete and Members of the American Bankers Association, Ladies and Gentlemen:

I do not know what is in your hearts exactly at this moment, but I am going to tell you what is in mine. It is a feeling of gratefulness to the good Bishop who has delivered such a masterly invocation. It did me good, and I am sure it will do you good, and I even have an idea it will do the Bishop good, as well. Now, before I get away—and I am not going to get very far away—I want to tell you that here in Detroit and in Michigan we think just as much of your charming president, your most potent president, your most excellent business president, as you do, and all of us thank you for the

honor you have conferred upon this city and State (applause). It is a good thing for a man once in a while, no matter in what walks of life he may be engaged, to stop and take an account of himself. It is mighty good for men to understand each other and to give some thought to their business—in other words, it is a good thing to look at the genesis of things. It is a good thing to remember the caveman. It is a great thing to know whether you and I have kept pace with the evolution that has taken place. Do you bankers ever stop to consider away back 700 years B. C. in the days of 35 per cent. interest! There has been a great improvement since those days. I wonder if any of you have visited the British Museum and have seen the contracts and notes and bond drawn up on pieces of baked clay? Surely a great advance has been made in those respects. You know there was a time when the great Master scored usurers and drove the money changers out of the temple. Now, we are glad to get the bankers to take an interest in temples, and very many of them do, I am happy to say. So you see what a great improvement has been made in that regard. To-day the banker is a man of soul and of heart and of happiness. Why, many of you here can remember the time when the banker was referred to as a "Shylock" or a "Skin-flint." But those times happily have passed away.

I don't know anything about the monetary systems, but I do think that we need some different monetary system—I think we need some canons of ethics and equity; some economic revolution or evolution—I don't mean any socialistic panacea, but I mean some system by which the financial affairs of this country shall be conducted on an equitable business plane.

Gentlemen, in the name of the State of Michigan, whom I have the honor to represent, I bid you welcome. I hope each wakening morning that you will be girded for the day of endeavor, for the day of work and of happiness, and that when majestic night casts her mantle over your slumbering brows you will rejoice that you have been in Michigan, and you will have sweet dreams that will refresh you so that when you arise it will be with a resolve to again come back to Michigan. (Applause.)

The President: Owing to the fact that the Mayor, Honorable William B. Thompson, was called from the city, the greetings of the city of Detroit will be extended to the Convention by Honorable John C. Lodge, one of the members of the Common Council, whom I now have the pleasure of introducing to you.

Address of Welcome, by Hon. John C. Lodge.

Mr. President, Ladies and Gentlemen and Members of the American Bankers' Association:

I have known men to approach the banker with fear and trembling. So it need not be strange if a plain business man unaccustomed to public speaking should show a little embarrassment and self-consciousness in looking into the faces of hundreds of bankers. It is my pleasure, in the absence of the Mayor, to tender to you all that the word Welcome means. I cannot say anything—and I never knew anybody, after 25 years of experience with the gentleman, who could add anything to a speech made by Governor Osborn (applause), so I am not going to make the attempt. I am going to say to you that the city of Detroit feels the honor you have conferred upon her by meeting within her gates. I am going to tell you, sincerely, that we feel more than honored by the selection you have made in the person of your presiding officer. We appreciate our bankers. We know that they have kept pace with the marvelous growth of our city. Indeed, some of us believe that they have been the pacemakers. And we know that you appreciate our bankers, too, for fifteen years ago you chose one of our best known and best loved citizens to preside over your organization; I speak now of George H. Russel. (Applause.) Again, you made our city the place from which you selected a secretary, and he is with you to-day. I am sure every one in Detroit knew that if there was such a thing as a heaven-born secretary, Fred Farnsworth was that man. (Applause.) Still, again, you honored us by selecting our friend, a man whom all Detroit loves, as your president, William Livingstone. (Applause.)

The Governor has said that the State welcomes you. I am here to say that the city welcomes you, and if this were a walled city I would give the keys to your president, but I am thankful to say that we have no walls; our doors are wide open, and I wish you all to understand and to sense to the full the meaning of that fine old word, Hospitality. Detroit welcomes you, and we hope you will come here often, with no such a long interval between your visits. I thank you, and on the

part of the city, most sincerely welcome you to everything that is ours. (Applause.)

The President: I desire to introduce to you now a gentleman who has long been associated with the American Bankers' Association. Even if he does belong within our borders, I think I may add that none know him, but to love him. I have known him from boyhood, and I think he is very nice and big. Fifteen years ago, in this same auditorium, he was elected vice-president of the American Bankers' Association, later on he was elected president of the association at its convention in Denver. Multiplicity of words will add nothing to his standing in this or in any other community, and I therefore take great pleasure in now presenting to you Mr. George H. Russel. (Applause.)

Address of Welcome, by George H. Russel, President of the Detroit Clearing House.

Mr. President, Members of the American Bankers' Association, Ladies and Gentlemen:

Fifteen years ago I was fortunate in being chosen to make the address of welcome to the American bankers on behalf of the Clearing House in the absence of its then chairman. This year it is again my pleasure and privilege to appear before you, and this time as the chairman of our Clearing House Association, and on behalf of the bankers, the business men, the manufacturers of our community, to bid you a hearty welcome. We have had a long, cold summer (laughter)—well, we have held in store for you the warmest welcome that Detroit could possibly tender you (renewed laughter). This, I think, is the hottest day we have ever experienced, but our motto is: In Detroit life is worth the living, and I could not apologize for this day.

It was on this platform, fifteen years ago, that I made my maiden speech from off the floor. At that time you put me in line for the greatest honor in life that has ever come to me, and I want to say to you now, to the friends that were with us then, and the new friends that I have made since, that I and my family feel very proud of the distinction that the Association put upon me. The Association then numbered about 2,800. We had for that time a very large representation. In the fifteen years that have elapsed we have attained a membership approaching 14,000. From among that number you have again honored our city in placing a deserved honor upon our chief citizen—our good friend, our strong banker, our civic champion, Honorable William Livingstone. (Applause.) And on behalf of the bankers who hold him in high esteem I thank you for that.

Fifteen years ago—that is, in 1897—we had begun to forget the troublous times of '93. Your advent at that time seemed to give Detroit a new impetus, to start us on a stronger industrial growth than we had before experienced; and I may say that, in anticipation of your return at this time, the last two years have been marked with the most marvelous growth. In 1897 we had a population of 260,000. To-day we have a population of something over 550,000. Then we were the sixteenth city in the United States. To-day we rank as the ninth city. Possibly I ought to apologize to the representatives of other cities that are here and which cities we have passed in population in those years, but I want to give notice that there are at least two other cities that we will rank in population in the next decade. Our manufactures then were developing. In 1897 our manufacturing product was about \$55,000,000. This year it will exceed \$365,000,000. Building permits were issued in that year for structures costing \$4,500,000. This year they will exceed \$25,000,000, and they would have been even more if the materials for building could have been obtained. Our banking capital then was \$7,500,000. To-day it is \$22,000,000. Our deposits then were \$56,000,000. To-day they are \$164,000,000. Our clearings then were \$303,000,000. This year, on the corresponding estimate of prior years, they will be over \$1,100,000,000. We do not rank quite as well in our Clearing House business as other cities, for the reason that Chicago and Cleveland very largely take our clearings from us. The figures of the Detroit Post Office are also astonishing. Then they were about \$624,000, to-day they are approaching \$3,000,000. So you see that we have grown some, and now you have come to us again and undoubtedly we shall take a fresh start from this day forward.

I will not bore you further, except to say that, on behalf of the citizens of Detroit, the Governor has given you the State, the Vice-Mayor has given you the city, and I offer you our banks—but not all of our funds, because they are in very active use just now, but our hearts and our homes and a real welcome, and I need not say, because I know you all appreciate the fact, that we are making the weather warm enough for you. (Applause.)

The President: We have with us a gentleman then whom perhaps no man in Detroit or in the State is better known—our Postmaster—who is also the president of the Board of Commerce, which comprises over 3,000 members, and which has done wonderful work in promoting the welfare, growth and

prosperity of our city. It affords me great pleasure to introduce to you Mr. Homer Warren. (Applause.)

Address of Welcome, by Hon. Homer Warren, Postmaster of Detroit and President of the Board of Commerce.

Mr. President, Members of the American Bankers' Association, Ladies and Gentlemen:

My friend, Alderman Lodge, said that he had never known anyone to add anything to a speech of Governor Osborn. I fully agreed with him until this morning. I was delighted to hear the Governor tell you that by a process of evolution you had become human. I want to go even further and say that you have become humane, because I have observed many instances of bankers' humanity. Now I think I have added something to the Governor's speech. (Applause.)

Like Alderman Lodge, I feel a sense of timidity almost in venturing before a banker, but looking at this distinguished gathering, and especially at the ladies in the gallery, I feel quite at home. It gives me a great deal of pleasure to welcome you, because you are men in close touch with all great business operations, not only in your own particular communities, but also in the great marts of commerce throughout the country at large. It is astonishing and almost uncanny to the laymen to think how the business of this country, which is conducted so largely on confidence, is done, and to reflect that your judgment of men is so seldom misplaced. I think it is a great tribute to the character of the banker that such vast sums are placed in your care, and that through the culpability or even the negligence of bankers so very little is lost.

On behalf of the really great organization of which your president has spoken, the Detroit Board of Commerce, composed of alert wide-awake business men, I tender you a most hearty welcome. Allusion has been made to the weather. This heat is most unusual, and I can only account for it on the theory that the warmth of our feelings toward you has even invaded the atmosphere.

I observed a suggestion in one of the morning papers that this convention should become an annual feature to this city. I think that is a splendid idea, and I hope you will make this your annual Mecca and come to Detroit.

We thank you for the distinguished honor you have paid us in the persons of these two gentlemen, George H. Russel and William Livingstone. Mr. Livingstone used to claim that he brought me up, and I was always delighted to have him acknowledge it, but, like the old song, "My Face is Well Written, But Time Alone is the Pen," and I have noticed that, as time has been making ravages on my face and figure, Mr. Livingstone does not so often speak of having brought me up. But all of the younger men and the middle-aged men of Detroit think of Mr. Russel and Mr. Livingstone as brothers. They retain their youth, and I hope they always will until they reach the land of eternal youth, and that while they are here they will always be boys with us. (Applause.)

We have great industries here in Detroit. I see that you visited one of them yesterday—the works of the Burroughs Adding Machine. Not alone in the automobile industry have we made great strides, but we have big stove works here, car and shipbuilding plants, brass and copper rolling mills, the largest pharmaceutical manufacturing establishment in the world, and very many other large enterprises. Those of you who were here fifteen years ago have doubtless observed great changes. Detroit, too, is a most beautiful city. We have a magnificent Island Park, where, on any holiday and on many other days, you will find thousands of persons, families with their children, enjoying the most healthful, innocent and inexpensive amusements that perhaps any city in the world can offer. That makes Detroit a splendid residential place for the workingman. Our inhabitants very largely own their own homes, and our people are happy, prosperous and contented.

To this fair city, then, I welcome you, on behalf of the Board of Commerce as representing, not only individuals, but as representing the business organization of our people. What a wonderful country we live in! I was in Plymouth, Mass., the other day and a sudden realization came over me of the fact that it is less than three hundred years since a devoted band of Pilgrims landed there. Those stalwart souls, the memory of those men will march on and on through the pages of history for all time to come. They made mistakes, it is true. Why, if we did some of the things that the Pilgrim fathers did we would be lynched. But they were honest mistakes, and a just God has forgiven them, and, looking back and considering the mistakes, let us call to mind the words of the great Book: "Still abideth these three, Faith, Hope and Charity, and the greatest of these is Charity." (Applause.)

I hope your stay here will be pleasant, and that you may derive as much pleasure from your deliberations as the country will derive profit.

I thank you for the fact that you have brought the ladies with you. You have shown good sense, and it is a compliment to Detroit. They say that man is mighty, that he governs land and sea, and that he wields a mighty sceptre, but the hand that rocks the cradle is the hand that rules the world, gentlemen.

(Applause.) So I offer you this toast, an old army toast, to the ladies:

"Lovely woman. Our arms for her defence. Her arms our recompense. Fall in." (Applause.)

I thank you.

The President: Fifteen years ago, in this same place, a distinguished gentleman from the State of Georgia responded to the address of welcome. That gentleman is with us again today, and we are not only proud, but glad to have him here. Every member of the American Bankers' Association knows him. Indeed, among bankers, his name is a household word. To write the history of the American Bankers' Association without including his name would be impossible. It affords me more than usual pleasure to introduce to you—and I should have said, by the way—that he is one of the former presidents of the American Bankers' Association, although it is unnecessary to say that to the members—Col. Robert J. Lowry, the grand old man of the American Bankers' Association. (Applause.)

Response to Address of Welcome, by Col. Robert J. Lowry

Your Excellency the Governor of Michigan, Your Honor the Mayor of the City of Detroit, Mr. President of the Detroit Clearing House, Mr. President of the Detroit Board of Commerce, Mr. President and Members of the American Bankers' Association, Ladies and Gentlemen:

It has been with great pleasure that I have listened to the words of welcome of these gentlemen, and I know that I voice the sentiment of all the members of our Association and visitors, when I say that we appreciate them. Indeed, we appreciate these words of cordial welcome more than I have words at my command to express. However, we expected this before we came here—that is, those of us who have enjoyed your hospitality in years past, and those of us who have not been here before—will know hereafter what Detroit hospitality means.

Looking back through memories I, not bedimmed by the fifteen years which have elapsed, I see two magnificent steamboats linked together, filled with the most tasteful viands to eat, the most exhilarating liquors to drink and the most beautiful and attractive ladies to admire, for all of which your great city enjoys a merited fame, which was a most enjoyable treat to all of us who had the opportunity and pleasure to attend the 1897 convention of the Association here. I recall also that magnificent luncheon given by Walker Brothers across the river in Canada, on that beautiful green plot of four or five acres a most inspiring and enjoyable occasion. With that distinctly in mind, who would wonder that I say that those of us who have been here before know what Detroit can do when she gets "on the job."

In this city fifteen years ago I laid down my commission as president of this Association, to which office the Association had been good enough to elect me the previous year in St. Louis. It was indeed gratifying to see the good work that had been done, beginning to show results, for it will be remembered that our association declared for sound money when we were importuned by all political parties to consider the free coinage of silver, bimetalism and other propositions. After this declaration in 1896, it was here in 1897 that good results began to show, and in the subsequent years the history of the country has vindicated the judgment of the Association on that question.

As bankers, we are patriots, and are interested in everything that interests our country. Our vocations are such that we could not be otherwise than patriots. Integrity is the corner stone on which the superstructure of our business and our association stands. We have asked for no special laws, but we favor general laws, which are applicable to the good of the people of the whole country, for we stand for the growth and uplift of the nation, and we are always successful individually when the whole country enjoys prosperity. Aside from our interest in home development and progress we stand for the betterment of our consular service abroad, for the building up of a strong American Merchant Marine and the strengthening of our navy. Much has been done along these lines, but I fear not as much as should have been done, for this great country should have all the prestige on the high seas and in foreign lands which its wonderful growth, industry and intelligence and home should want.

I will not take up more of your time, as there are other gentlemen to follow me who can entertain you better, but let me, in closing, tender to you the greetings of the beautiful Southland, the home of sentiment as well as industry, the land which cherishes its history and traditions, but is alive to the opportunities for twentieth century progress. Our crops are just now being gathered and are much better than we had expected. Our people are hopeful and happy, and extend to you all a cordial invitation to come down "South in Dixie" whenever you have the opportunity, and we will give you the best time we know how. (Applause.) I thank you.

The President: As the day is exceedingly warm and my remarks which I have to make are all in print, I will skip a portion of it, reading a little on some one or two points that I want to call your attention to specifically.

Annual Address of the President, William Livingstone, Detroit, Mich.

To the Thirty-Eighth Annual Convention of the American Bankers' Association.

Gentlemen: Fifteen years ago Detroit had the pleasure of entertaining the American Bankers' Association, and those of you who attended the convention of 1897 remember that the Association at that time was truly in its infancy; its membership numbering but 2,813, and its only adjunct the Trust Company Section which was then just one year old. It affords me the greatest pleasure to congratulate you to-day on the present organization, with its membership of over 13,300—representing a net increase during the past year of over 1,200, the largest increase in any one year since organizing, its various Sections, Departments and Committees all working for the furtherance of the banking and business interests, and for uniformity of laws in all of the States.

TRUST COMPANY SECTION.

The Trust Company Section whose membership now embraces about two-thirds of the largest and most progressive Trust Companies of the United States, is on the alert at all times to improve conditions and facilities for the performing of the duties of the various institutions doing a trust company business; its book of Trust Company Forms, compiled by the Secretary, Mr. P. S. Babcock, is widely used by members of the Section.

SAVINGS BANK SECTION.

The Savings Bank Section is the largest Section in point of membership in Banks in the Association. This Section was successfully launched in 1902, and has been piloted by very able officers during its entire history. Too much credit cannot be given the late William Hanhart, who, as Secretary, carefully guided its activities, and the work started by him has been carried on creditably by his successor, W. H. Kniffin, Jr., and since his resignation, by Mr. E. G. McWilliam. Not only has the Section been active in securing new members, but also along various lines from which that membership has benefited. Perhaps one of the most important features of their work has been the campaign of education among the people of the United States on saving and thrift, and a continuation of the work toward fostering school savings banks.

CLEARING HOUSE SECTION.

The Clearing House Section, the youngest of the three larger Sections, is by no means the least important. Its growth since the first conference of Clearing Houses in St. Louis in 1896, has been rapid, indeed, and at the last convention held in New Orleans, the Section deemed it advisable to place a secretary in charge who could devote all of his time to this feature. The executive officers have been actively engaged in directing and promoting the work laid out by the Section. The Universal Numerical System has been adopted by more than seven thousand banks according to actual reports in the Secretary's office. Many other banks have been taken care of by their correspondents and no record has been furnished the office of these. Mr. Wolfe, the Secretary, is untiring in his efforts along this line, and he has been attending chapter meetings of the American Institute of Banking and establishing committees among chapter members whose duty it is to see that all checks passing through their banks bear the transit numbers, for in order to make the plan as valuable to the banks as it should be, all checks and drafts should bear these Clearing House numbers.

In the Clearing House Section seventeen cities now have a special Clearing House Examiner who is solely under the direction and control of the Clearing House Committee, and the reports from all of these cities show that the system is most satisfactory and that very beneficial results have been obtained, and all strongly endorse the system. Also not least in it work is the endeavor of the Section to secure uniformity in Clearing reports.

AMERICAN INSTITUTE OF BANKING.

The American Institute of Banking Section has seventy-five chapters, including one in Cuba and one in Hawaii, with a total membership of over 12,000. With commendable conservatism, the Institute has consistently resisted the temptation to sacrifice quality to quantity in extending its membership, and any former misgivings that the organization might degenerate into a labor organization or a circle of social clubs have vanished. Sound and systematic educational work along orthodox lines seems to be the established policy of Institute management, and beneficial results are manifest in the improvement of banking methods in chapter cities. In fact, the success of chapters in large cities has created the erroneous impression that the Institute is solely a city proposition, and correspondence instruction among country bankers has not thus far received the consideration that it deserves. The Journal-Bulletin is not only an indispensable agency in Institute work, but serves the purpose of an interchange of information between employers and employees regarding the activities of all, and thereby promote the vocational harmony for which the banking business is justly noted. The Executive Council of the Institute in whom its government is vested is composed of young bankers of exceptional capacity and conservatism, who are creditable alike to the membership whom they represent and to the American Bankers' Association of which the Institute is an important Section. Mr. George E. Allen, Educational Director, has been indefatigable in this work and is entitled to much credit for what has been accomplished.

STATE SECRETARIES' SECTION.

The latest body to become affiliated with the parent organization is the various State Associations, through their Secretaries, in what is known as the State Secretaries' Section. This Section has aided Association very materially in increasing its membership, in addition to many other factors which make for the good of the organization.

Each has its field of labor, officered by able, diligent, courteous and congenial men with whom it is a pleasure to associate and to work, and each conscientiously carrying on its own prescribed duties.

COMMITTEES.

It must be clearly understood, however, that while the Association is very much indebted to the work of its Sections, and without detracting in any way from the great credit to which they are entitled in their various capacities, the Association has also received very valu-

able assistance from its standing committees, which have always been active and energetic as occasion has demanded.

BILL OF LADING COMMITTEE.

The Bill of Lading Committee, appointed seven years ago for improving the form of the bill of lading and obtaining legislation which would make these documents a better security for the banker, has been one of the most active and insistent of the Association's committees; and while it has not met with ultimate success, results are gradually being obtained, through the indefatigable efforts on the part of the Committee. During its existence, the Bill of Lading Committee has seen a uniform bill of lading in two forms for Order and Straight shipments recommended by the Interstate Commerce Commission and adopted generally by the railroads; it has seen the uniform Bills of Lading Act placed on the statute books of ten States; and it has seen a special Bill of Lading Statute to safeguard these documents, framed by the General Counsel of this Association, enacted in four States prior to the time when the Uniform Bill of Lading Act was drafted. Among other great benefits of these laws is the providing of responsibility by the carrier for the act of his agent in issuing a bill of lading without receipt of the goods, which responsibility does not exist under the common law.

During the entire time of the existence of the Committee the first four years under the leadership of ex-President L. E. Pierson, as Chairman, and the past three years under the able direction of Clay H. Hollister, an active campaign has been carried on for the adoption of similar legislation by Congress. In the 61st Congress, in June, 1910, the Stevens Bill advocated by this Association was passed by an almost unanimous majority, but failed in the Senate. In the 62d Congress, the campaign has been vigorously urged. Three hearings were held last winter by the Senate Committee on Interstate Commerce, at which was considered both the Stevens Bill and the Pomerene Bill, which is the State Uniform Bill of Lading Act adapted for Federal enactment. On August 21 the Senate passed the Pomerene Bill unanimously and it now goes to the House. As your President was a charter member of this Committee, and served on same for four years, and, therefore, fully realizing its great importance, cannot impress upon you too strongly the urgent need of every member lending his most active support to the furtherance of this legislation at the short session of Congress next winter, so that it will not be necessary to wait another Congress to obtain a Federal law governing all bills of lading used in Interstate and foreign commerce. It was the great losses to the banks and commission men which led to the appointment of this Committee. These losses, which run into the millions of dollars, have continued along through recent years.

COMMITTEE ON AGRICULTURAL AND FINANCIAL DEVELOPMENT AND EDUCATION.

And now we come to the newest departure of the Association—the Committee on Agricultural and Financial Development and Education, appointed at the New Orleans Convention.

Although many bankers realize that their institutions are greatly dependent on the farms for their success, it was not until Mr. Joseph Chapman, Jr., brought the matter forcibly before the Association that they had a true conception of its importance, and deemed it within their province and really their duty to take some action looking toward the improvement of agricultural conditions.

The following resolutions presented by Mr. Chapman at the New Orleans Convention gave the movement sufficient momentum in the Association, so that I believe we can look for satisfactory results in the near future:

Resolved, That the American Bankers' Association in convention assembled, hereby heartily endorses the movement started in several State Associations, looking toward improved agricultural methods, better farm life conditions, agricultural education for the farm boys and girls and Federal agricultural demonstration work;

Resolved Further, That the President of this Association appoint a committee of seven to be known as the Committee on Agricultural and Financial Development and Education, to assist in the extension of this magnificent work.

The Association advanced still another step in this direction when it appropriated \$2,000 for the use of the Committee.

It is interesting to note the progress made in this movement, by a comparison of its two annual meetings. At the first session, held last year, only seven States were represented. At the second annual meeting held at Minneapolis and St. Paul, August 7 and 8, twenty-four States were represented. At last year's meeting the banker and educators who came to address the bankers made up the conference; this year the field of education from university to common school sent in its undelimited men and women and the character of the gathering reflected the scope of influence of the first conference. Men from the Department of Agriculture at Washington and from the Agricultural and vocational schools of many States were present as listeners. At the second annual conference the best authorities in the United States addressed the delegates, and the meeting was a most enthusiastic one, the proceedings of which were to be published immediately. The bankers are just beginning to become interested and to realize the great importance of this movement, and the fact that agriculture is the basis of all wealth, and have been instrumental in a number of States in bringing about an agreeable change in educational institutions.

The Committee of the American Bankers' Association and the committees from State Associations spent in week in Washington in February and March of this year, appearing before the Senate Committee on Agriculture and Forestry and before the House Committee on Agriculture, urging Congress to appropriate sufficient money so that all of the States might receive the benefit from practical demonstrators going on to farms, the same as has been enjoyed by the Southern States for the past eight or nine years.

PROTECTIVE COMMITTEE.

The very able Committee handling this work has devoted a large amount of valuable time and attention to it, but as the service is of necessity secret, it is impossible to give the members of the Committee the credit to which they are entitled. I have but to call your attention to the large membership and the comparatively few depredations on members of the Association, and to the expeditious manner in which all cases are cared for to demonstrate this. This department is also constantly increasing its facilities for quick detection of criminals, and

its work in connection therewith is systematically dispatched. Each successive year has also demonstrated the fact that the American Bankers' Association in its vigorous prosecution of criminals who prey on its members, is constantly becoming a greater deterrent to criminals.

ADMINISTRATIVE COMMITTEE.

The members of your Administrative Committee in addition to holding several meetings in an advisory capacity to the General Secretary in the interim between Council meetings have attended a number of State Bankers' Associations conventions in an endeavor to impress upon the members of such associations the value of affiliation with the parent organization.

LAW COMMITTEE.

Outside of its regular routine work, this Committee has spent a large amount of time and energy on the broad question of segregation of savings from commercial deposits in banks and trust companies and has held hearings in Detroit, Cleveland, Chicago, St. Paul, Des Moines, St. Louis, New Orleans, New York and Louisville on this question. Through the medium of these hearings and through investigations in other States, the Committee covered quite fully conditions in 24 States holding a majority of the entire savings deposits of the country. After making these personal investigations, the committee prepared a statement of conditions in these States, adding a summary of the argument for and against the special investment and segregation of savings deposits, which was sent to every member of the Association, together with a question-sheet designed to ascertain whether the members of the Association were in favor of the further extension of the principle. In all, 3,119 banks responded, of which 1,447 were favorable and 1,489 were adverse, from which it would appear that sentiment among the members of the Association is about evenly divided on this subject. Their report has been printed in pamphlet form and may be had from the General Secretary. As Michigan is the home of segregation, any members desiring information on the actual and practical workings of segregation can get the most complete information from the State banks of Detroit and other Michigan cities.

CURRENCY COMMISSION.

Your Currency Commission along with the officers of the Association were called into conference with the National Monetary Commission in Washington on March 28, 1911, to consider Senator Aldrich's suggestions for monetary legislation. At a meeting of the Commission held before the conference, it was unanimously agreed that the plan suggested by Senator Aldrich was founded on correct principles; that it is admirably adapted to present conditions, and that it will correct existing defects in our National banking system. That with further developments in some of its details it would be made thoroughly practicable. Later our Commission discussed every feature of the plan, giving their reasons for the suggestions made and conclusions arrived at. At a later date our recommendations were generally adopted in the revision of the plan reported by Senator Aldrich's Committee. On May 2, 1911, Mr. James B. Forgan, Vice-Chairman, reported to the Executive Council at their meeting held in Nashville, submitting to them Senator Aldrich's plan as revised by our own Commission. After careful examination, the Executive Council, by resolution, unanimously approved the plan thus revised. Out of forty-six State Bankers' Associations, over thirty have passed resolutions at their annual conventions also endorsing the plan. At the Annual Convention of our Association in New Orleans, November 24, 1911, the Convention adopted the following resolutions presented by the Executive Council, with one dissenting vote:

Resolved, That the American Bankers' Association hereby gives its unqualified approval to the revised plan proposed by Hon. Nelson W. Aldrich, Chairman of the National Monetary Commission, for the establishment of a co-operative agency of all the banks, to be known as the National Reserve Association of the United States.

We are confident that the high purposes actuating the National Monetary Commission assure the working out of the details in accordance with the sound principles stated in the plan, in such a manner as to gain the confidence and support of all classes.

A sound banking system will benefit the entire community and is, therefore, non-partisan. We urge Congress to so regard it and to deal with it as an economic question outside the domain of party politics.

Resolved, Further, That the officers of the Association, together with the Currency Commission of the American Bankers' Association are hereby instructed to submit the Association's approval of the principles of the plan to the National Monetary Commission, and to the committees of Congress to whom monetary legislation is referred.

It seems to be imperative that we should have, if possible, immediate action on this subject, and I most earnestly urge that every effort be put forth by our Association for the passage of a good banking and currency bill, and that the Currency Commission's attention should be directed to the work of urging Congress to action at their next session, and their efforts should be supplemented and aided by the Association members throughout the country, who should be asked to take the matter up with their Congressional representatives in order that prompt and favorable action may be obtained on the plan submitted by the National Monetary Commission. In other words, that the Association should "stand by its guns" in this important matter in the fullest sense of the word and should continue to support the bill as previously recommended, and should again go on record as favoring its adoption.

MONETARY REFORM.

I desire particularly to call the attention of the Association to the bill recommended by the National Monetary Commission which was created by Sections 17, 18 and 19, of "An Act to Amend the National Banking Laws," approved May 30, 1908.

LEGAL DEPARTMENT.

It is hardly necessary for me to dwell on the work of our General Counsel. It speaks for itself. Many of your institutions are availing themselves of the opinions of the General Counsel on various matters pertinent to banking. He acts in an advisory capacity on legal questions submitted by the sections, committees, the Protective Department, and by members all over the country; to the legislative committees of State Bankers' Associations in aid of their efforts to improve the banking laws of their respective States.

The constructive work covers drafts of laws for the Law Committee of the Association, Mr. Paton having worked out a standard form of Bank Burglary Policy which has been copyrighted and is now being used by the different companies, and work is under way on a revision of the Fidelity Bond of the Association. Mr. Paton, in addition to all of the above, appears for the Association and its various adjuncts and Committees in all legal matters.

JOURNAL DEPARTMENT.

The Journal Department, through its publication, the Journal-Bulletin, disseminates Association news to all of its members, adhering strictly to the purpose for which it was originally installed. It is also a medium for the exchange of ideas between the employed and the employers as represented by the Institute and the Association, and it is also of great assistance to the Protective Department in sending out warnings to the banks.

LIBRARY.

During the past year the Association has added another department which was sorely needed, a library and reference department under the management of an able librarian. Though it has been in existence but ten months, the service which it has been to the membership has justified its installation. Its material comprises books, documents, statistics, proceedings, addresses, magazine articles, clippings, pamphlets, advertisements and pictures. Its methods involve the securing of this material in various ways from widely-scattered sources, classifying, mounting, preserving and circulating it in accessible form. Its results show the loaning of said material to our members all over the country. That they fully appreciate the advantage afforded by this department is evidenced by the growing demand for information which is supplied by telephone, by messenger, at the library and by correspondence. Its book collection has been increased four-fold, chiefly by gift and exchange.

NEW OFFICES.

To provide for these sections and new departments, space was taken on from time to time until the offices had grown to large proportions, but were still inadequate and inconvenient. Your Administrative Committee, after a careful investigation of the situation, decided that new quarters would have to be secured, and the General Secretary was authorized to negotiate for space which would be ample for some time to come. The new offices, on the twelfth floor of the Hanover National Bank Building, were formally opened Wednesday, July 10, at which time your President, and Chairman of the Executive Council, Mr. Arthur Reynolds, were present. There was quite a large attendance, and among others, notably the South Carolina Bankers' Association, who were guests of New York bankers at that time. Those of you who have visited the rooms, I am sure will agree with me that they are in keeping with the dignity of our great body.

GENERAL SECRETARY.

Your General Secretary has been most earnest in his work, always with the interests of the Association at heart, and has made a special endeavor to increase the membership of the Association. That his efforts in this direction have been crowned with success is borne out by the fact that the increase during the past year is the greatest in the history of the Association. His entire staff are both courteous and willing workers.

At the last Annual Convention of this Association, my predecessor, President Watts, suggested and advised that the Council dinner, which had previously really been a part of the Convention, be abolished, as only a few participated in this special entertainment. It affords me pleasure to report that the Executive Council at its meeting held at Briarcliff in May last acted on Mr. Watts' suggestion and abolished the Executive Council dinner.

While the Association has grown and added several Sections, each carefully following its various lines, and Committees, the headquarters itself has neither stood still nor retrograded. As Mr. George M. Reynolds put it some time ago, "It is a veritable beehive of industry."

The results of the activities of the Association during the past year speak for themselves. I believe we have nothing but hearty praise for all work accomplished, and I do not believe there is any need for the admonition "Let the good work go on."

As to the future, I would say to one and all of you to lend your aid to the various committees, whenever you can do so conscientiously, also to the Sections.

During my three years' official connection with the Association, I have received nothing but the most hearty support and encouragement from my fellow-associates. It has been one harmonious period of activity in the interests of this great body, and I wish to express my deep appreciation of the courteous, kindly treatment I have always received at your hands.

The President: I want to say a word about the "Protective Committee." I want to call your attention to this, that the Protective Committee, as you are aware, is necessarily a secret committee, and our association has been exceedingly fortunate, looking back through the past vista of years, in securing men, hard-headed, solid, conscientious men for that committee who have done an enormous amount of hard work which the rank and file of the American Bankers' Association hardly realize. As I have said, the work is necessarily secret, but I know from my experience that the past three years no committee has done harder and more conscientious, painstaking work than they have, and we have no means, publicly, at least, of in any way acknowledging it.

The Law Committee (continues reading).

I will say briefly that the members of your Administrative Committee have had a number of meetings. Your president, secretary and other members have visited a number of the State Institutions in the various States; it has been very gratifying, indeed, at least it was to me, to see the strong, earnest, active work done in all of these State conventions. It would seem as if they all seem to work in harmony together, and that their main effort in all directions was to see in which

way they could most promote the welfare of the American bankers.

(Continues reading.)

The Monetary Commission: It seems to be imperative that we should have, if possible, immediate action on this subject, and I most earnestly urge that every effort be put forth by our association for the passage of a good banking and currency bill, and that the Currency Commission's attention should be directed to the work of urging Congress to action at their next session, and their efforts should be supplemented and aided by the Association members throughout the country, who should be asked to take the matter up with their representatives in order that prompt action may be taken on the plans of the Commission.

One new feature I will just mention and call your attention to it—the library established during the past year.

(Reading.)

We found that frequently we received letters from the Library Department, asking if we can loan them certain documents and certain books which are wanted for special occasions, and I am sure that in the future we will find this a very valuable adjunct to aid members of the association.

As probably most of you are aware, we moved into our new offices during the past year and your administrative committee has carefully investigated the situation, and we finally decided upon the twelfth floor of the Hanover National Bank Building.

And may I be pardoned, if I say just one word more, and that is this: I suppose there are moments that come to every man during his lifetime that appeal to him more than others, and I say to you, gentlemen of the American Bankers' Association, and I can say to you conscientiously, that I believe to-day that, without one bit of fly in the ointment in any form, shape or manner, that greeting you gave me here to-day in my home city as your president—the city in which I have lived since six years old and in whose growth and prosperity I take great pride—that the pleasure in greeting you here to-day, and being able to say that I am glad to meet you and that heaven's choicest blessings may follow you through life hereafter, I can truly and conscientiously say that it is the proudest and happiest moment of my life. (Applause.)

I will say to the members that the reports that are coming now will be very brief and will take up but a comparatively few minutes, and that Mr. Bonyng will talk at 12 o'clock, and I am sure all will be glad to hear his eloquence and the matter which is so germane in every sense of the word to our association, and I trust that you will remain. We will only detain you a few minutes. The next business in order is the annual report of the general secretary, Col. Frederick E. Farnsworth.

Secretary Farnsworth: I want to emphasize what the president has just said. There is a long list of reports here, but it has been customary in the past few years to put them in the pamphlet which is in your possession now. The Honorable Mr. Bonyng, ex-Congressman from Colorado, will follow at 12 o'clock on a subject in which you are all interested. Those of you who have heard Congressman Bonyng will bear me out on this subject, no doubt, as on many others, that he is one of the best speakers in this country, and I am sure you will be interested to remain and hear him. I want to take only a few minutes longer this morning than I ordinarily will take, in commenting on my report. This is my home city and my home State. With all Detroit people and Michigan people I am proud of our city and State. I am proud of its record, and I am proud of its record in the American Bankers' Association, which I have fully covered in my report, but a very brief portion of it I will read.

Annual Report of Secretary.

[The report of Secretary Farnsworth will be found on page 132.]

The President: The next business in order is the report of the treasurer, J. Fletcher Farrell, of Chicago.

Treasurer Farrell: Mr. President, Ladies and Gentlemen and Members of the American Bankers' Association: You will find on page 33 of the little pamphlet which has been distributed among the members the printed reports of the treasurer. I assume that all those present have had an opportunity of perusing that report, and I shall therefore not occupy the time of the Convention by reading the detailed statement. I should like to state very briefly that, since the report was prepared, September 1, all of the drafts for membership, representing some thirteen thousand-odd dollars, have been forwarded for collection, and up to this time practically 80 per cent. has been paid, and we hope within the next few days to have received remittances from all. If there are any in the Convention who have not had an opportunity of seeing this report, I shall be very glad to furnish them with one, and would like you to look it over very carefully.

Annual Report of Treasurer.

[The report of the Treasurer will be found on page 135.]

The President: Next business in order is the report of our General Counsel, Mr. Thomas B. Paton.

Mr. Paton: The report, similar to the others, is printed in this pamphlet, and I will not read it unless there is an urgent clamor on the floor that I do so. I do not hear any such clamor, and therefore I ask that it be considered read and ask leave to retire.

Report of the General Counsel.

[We print the General Counsel's report on page 135.]

The President: If there is no objection, and the Chair hears none, next will be the report of the Executive Council, Mr. Arthur Reynolds.

Report of the Executive Council.

[The report of the Executive Council is printed in full on page 138.]

Report of the Executive Council was, on motion, received and approved.

The Chairman: The next thing in order is the annual report of the Protective Committee. As this is printed in full and has been distributed, we will not have it read now.

Report of the Standing Protective Committee.

[The report of the Protective Committee appears on page 140.]

The address scheduled by Mr. Bonyng, a member of the National Monetary Commission is next in order, and it affords me great pleasure to introduce Honorable Robert W. Bonyng, of Denver, Colo.

"Banking and Currency Reform," by Robert W. Bonyng.

[The address of Mr. Bonyng in full will be found on page 113.]

The President: The Secretary has some announcements to make before we adjourn for luncheon.

Secretary Farnsworth: I am requested to give notice that there will be a meeting of the Kentucky members at room 1014 of the Hotel Pontchartrain, Wednesday morning, at 9 o'clock, to select a member of the Nominating Committee and the Vice-President for the State.

Owing to the desire on the part of those who were quartered on the steamboat *Detroit III*, during the extreme heat of the past two days, the people who were on that boat are now being provided for with rooms at the various hotels by the Hotel Committee, of which Mr. Staley is chairman.

The city of *Detroit III*, will remain at the foot of Third Street until noon to-day. From noon until 4 o'clock the steamer will lie at the foot of Shelby Street.

All guests are requested to remove their baggage before 4 o'clock. If baggage has not been called for by that hour the same will be removed to the office of the general manager of the Detroit & Cleveland Navigation Company. Ample accommodations will be arranged for on shore.

The President: The Convention will now take a recess until 2 o'clock.

AFTERNOON SESSION

The President: The first business in order is the Reports of Sections. Under that head the first section to be heard from is the Trust Company Section.

Mr. F. M. Goff: Mr. President and Gentlemen, owing to the lateness of the hour in convening, and the fact that the reports of the Section are printed, I beg leave to submit my report without reading.

The President: If there is no objection that may be done. The Chair, hearing no objection, it is so ordered. The report of the Savings Bank Section is the next thing in order.

Mr. J. F. Sartori, of Los Angeles, Cal.: Mr. President and Gentlemen, following the example set by Mr. Goff, I ask unanimous consent to file my report, as it is in print.

I would simply state that we have done progressive work during the past year, having increased our membership one hundred and seventy-two, and now have a total membership of 2,050. (Applause.)

The President: This will follow the same course and will be considered as read and printed in our proceedings.

The report of the Clearing House Section is next in order.

Report of Clearing House Section.

Mr. John K. Ottley: Mr. President and Members of the Association, the detailed report of what has been done by the Clearing House Section will appear in full in the published proceedings, but I take this opportunity to urge upon you a study of the report. It is not lengthy, and I believe you will find it interesting.

It will give you an idea of the definiteness with which the Section is endeavoring to bring the banks of the country into closer and more mutually advantageous relations.

To this end our attention has, during the past year, been centered on the development of the Numerical System, the appointment of Clearing House Examiners, a system of uniform reports of clearings and plans for securing uniformity in exchange charges on country checks.

The Section is also trying to interest the fraternity generally in the organization of clearing houses, believing that the

benefits of such organization are very great, even in towns where there are not more than three or four banks.

Whatever strengthens local banking interests adds necessarily to the influence and usefulness of this Association. And the converse of the proposition is also true. With this in mind, your Clearing House Section believes that it can render the Association no more valuable service than to develop a spirit of active co-operation and to awaken a desire among the banks of all our towns and cities for the adoption of such forms of organization and such methods as have been successfully worked out and will secure the most harmonious and profitable results.

The President: The American Institute of Banking is next in order.

Mr. F. A. Crandall: My report was submitted to the Executive Council yesterday afternoon and is in the hands of the Secretary. I suggest that it be considered read.

The President: Unless there is objection, that will be the course pursued. Hearing no objection, it is so ordered.

Report of American Institute of Banking.

[The report of the American Institute of Banking will be found on page 142.]

The Organization of State Secretaries is next in order to report. As I do not see Mr. Hoopes present, that will be passed for the present.

We had expected United States Senator Townsend to be here at this hour, but as he has not yet arrived, and no word has been received from him, we will proceed with the rest of the programme until he comes.

AMENDMENTS TO CONSTITUTION.

This brings us up to the amendments to the constitution reported by the Executive Council.

Chairman Reynolds: Mr. President and Gentlemen of the Convention, I refer you to page 26 of the official programme to find the amendments that are reported out from the Council for your action. These amendments were approved, with the exception of the proposed amendment to Article IX, Section 1, for the creation of an Investment Bankers' Section, together with the other amendment pertaining to such a section.

As the constitution provides that all amendments presented to the General Secretary shall be submitted by him to the members, and also to the Council, and referred by the Council to the Convention, the Investment Bankers' proposed amendments are submitted herewith:

Amend Article II, Section 1, of the constitution by inserting after the word "Association," in the third line, the following:

"Upon approval and recommendation of the Membership Committee."

So that the section shall read as follows.

It is not necessary for me to read the next paragraph, as that is printed right there in the programme at the bottom of page 26.

The President: Gentlemen, what is your pleasure?

Mr. G. H. Hyde, of Jamestown, N. Y.: I move that the recommendation of the Executive Council be approved.

Mr. F. E. Roberts, of Newton, Iowa: I second the motion.

The President: All in favor of the motion will say aye; opposed, no. The ayes seem to have it, the motion is carried.

Chairman Reynolds: Amend Article IV, Section 1, of the constitution, by inserting after the words "to wit," in the third line, the following:

"A Membership Committee, consisting of five members of the Association, who shall be members of the Executive Council, and whose names shall not be made public."

Mr. Beckwith: I move the adoption of that amendment.

Mr. Robinson: I second the motion.

The President: All in favor of the motion will say aye; opposed, no. The motion was carried.

Chairman Reynolds: Add a new section of the constitution to Article IV, to read as follows:

"Sec. 7. The Membership Committee shall act upon any applications for admission to membership in the Association, and upon any charges or complaints against any member. Their action shall be reported to the Association through the Administrative Committee, and they shall make rules for facilitating admissions of new members and other matters brought before them, subject to the approval of the Administrative Committee."

Mr. F. O. Watts, of Nashville, Tenn.: I move the adoption of that.

Mr. Reading: I second the motion.

The President: All in favor of the motion will say aye; opposed, no. The motion is carried.

Chairman Reynolds: Amend Article III by adding a new section, to be known as Section 14, to read as follows:

"Sec. 14. The General Counsel shall be under the direction of and shall report to the Executive Council, and shall make a report at the Annual Convention of the Association. He shall have custody of and be responsible for the documents, records and property of the Association pertaining to his office. He shall have authority to employ such clerical and other assistants and incur such expenses as may be necessary, within the limits of the appropriation made by the Executive Council for the conduct of his office. His duties shall include

in addition to the performance of specific services which may from time to time be devolved upon him by the Executive Council the rendering of legal advice and assistance to the various sections, committees and officers of the Association and the giving of legal advice to the members of the Association as may be practicable. In case of doubt whether specific services called for by members come within the scope of his duties, he shall obtain the decision thereon of the Executive Council or of the Administrative Committee."

Mr. Robinson: I move that we adopt that amendment.

Mr. Pierson: I second the motion.

The President: All in favor of the motion will say aye; opposed, no. The motion is carried and the amendment is adopted.

Chairman Reynolds: Amend Section 2, Article III, of the constitution by prefixing thereto the following:

"During the period of one Association year after his term shall have expired, the chairman of the Executive Council shall not be eligible for election by the Association to any other office; provided, however, that this shall not be effective until the year 1913."

Mr. C. H. McNider, of Macon City, Iowa: I move the adoption of that amendment.

Mr. H. A. Rhoades, of Boston, Mass.: I second the motion.

The President: All in favor of the motion will say aye; opposed, no. It is carried, and the amendment is adopted.

Chairman Reynolds: Insert at the end of Article III, Section 2, paragraph (a) the following:

"Provided, further, that any group of two or more adjoining States or territories having in all one hundred or more members of the Association, but no single one of such States or territories having one hundred members, may apply to the Executive Council for representation, and the Executive Council may, in its discretion, admit one delegate from such group."

Mr. Chapman: I move that that be adopted.

Mr. Hyde: I second the motion.

The President: All in favor of the motion will say aye; opposed, no. It is carried.

Chairman Reynolds: In paragraph B of Section 2 of Article III, insert after the word "borders," in the third line, the words:

"Not provided for under paragraph (a)."

Mr. Robinson: If I am not mistaken that refers to the preceding amendment that we have just made.

Chairman Reynolds: That is so. Evidently there has been a mistake made in the printing of it, because it has been put in here under the proposed amendment that the Council disapproved of.

Mr. Reading, of Pennsylvania: In order to correct that error, I move that the Association adopt the amendment to insert in Article III, as stated, the words "Not provided for under paragraph (a)." That is absolutely needed in order to make the previous amendment effective.

Mr. Robinson: I second that motion.

The President: All in favor of the motion will say aye; opposed, no. The motion is carried and the amendment adopted.

Chairman Reynolds: Now we come to the question of the Investment Section, which was adversely reported upon by the conference:

Amend Article IX., Section 1, by adding a new paragraph (c), to read as follows:

An Investment Bankers' Section, whose scope shall embrace all matters relating to Investment Securities.

Change present paragraphs (c), (d) and (e) to (d), (e) and (f), respectively.

Omit from the seventh line of old paragraph (e), Section 1, Article IX., the words "Trust Company and Savings Bank."

Mr. Goldwater, of New Mexico: I move that that amendment be laid on the table.

Mr. Dinkins, of Louisiana: I second the motion.

The President: All in favor of the motion will say aye; opposed, no. The motion prevailed and the amendment was laid on the table.

Chairman Reynolds: The next is to amend Article II, Section 2.

Mr. Reading (interposing): I move that the balance of the amendments printed on page 28 of the official programme be laid on the table.

The motion was variously seconded.

The President: Are you ready for the question? If so, all in favor of the motion will say aye; opposed, no. The motion prevailed.

Chairman Reynolds: The next amendment is one proposed by Mr. Andrew J. Frame, president of the Waukesha National Bank, of Waukesha, Wis. It is printed on page 29.

I beg to say that, in the discussion over this amendment in the Executive Council, the resolution was somewhat amended and the committee recommended certain changes to be made in the constitution. A resolution was then adopted to the effect that the Executive Council recommend that the Convention authorize the appointment of a committee to revise the constitution, and on behalf of the Executive Council I make that recommendation.

Mr. Frame: In view of the decision of the Executive Coun-

cil, to recommend the appointment of a committee to revise the constitution, and with the proviso that such a committee is appointed, I move that further consideration of the matter that I presented be deferred.

The President: If there is no objection that may be done.

Mr. Creer: If I have listened correctly, the insert creating a Membership Committee was adopted, but the new section, numbered 7, defining the duties of that Membership Committee, has not been read or adopted.

The President: The chairman of the Executive Council will explain about that.

Chairman Reynolds: I beg to say that these revisions made by the various committees were reported upon by the Council and the import of what the resolution was supposed to contain with all the amendments was read and explained in the Council meeting, but not having anything to do with that committee or its work, I do not know what particular lines are referred to in connection with an individual resolution to carry out the wishes of that committee, and hence some confusion has arisen.

Section 7 appears on page 27 of the official programme, and it has already been acted upon.

Mr. W. R. Creer, of Ohio: We did not vote upon this section.

The President: I am informed by the official reporter that we did, and that was my recollection.

Mr. Reading: Well, to save any question about it, I move that we adopt it now.

Mr. Creer: I second the motion.

The President: All in favor of the motion will say aye; opposed, no. The motion is carried. Is there anything else from the Executive Council?

Chairman Reynolds: Yes, sir, a resolution offered by Mr. James in the Executive Council yesterday:

Resolved, That there be presented to the Convention a resolution, endorsed and having the approval of this Council, providing for the appointment by the President of the Association of a committee for the general revision of the constitution, such committee to report at the spring meeting of the Council, and then to the Convention following.

Mr. R. E. James, of Pennsylvania: I move the adoption of the resolution.

The motion was seconded.

The President: Are you ready for the question?

Mr. Frame: I will support the resolution, with the amendment, that the following gentlemen be appointed on that committee. They are men who are entirely free from any influence, and I have no doubt that they will not be bulldozed, and because of their ability I believe we will have the constitution revised in an intelligent manner. The gentlemen whom I wish to suggest are:

R. E. James, as chairman, of Pennsylvania; W. J. Bailey, of Kansas; O. E. Dunlap, of Texas; C. H. McNider, of Iowa; and Gordon Jones, of Colorado.

That is one man from the East, one from the West, and three from the middle section of the country. If this suggestion meets the approval of the Association, I withdraw the amendment that I had offered.

Mr. J. T. Dismukes, of Florida: The gentleman has left off the South from that committee, and I would suggest that he add the name of Mr. Sol Wexler, of New Orleans.

The President: Mr. Frame, will you accept that?

Mr. Frame: Yes, sir, with pleasure. I think Mr. Wexler will be eminently satisfactory.

The President: You have heard the amendment proposed by Mr. Frame. Is it supported?

Mr. Reading: I second the amendment.

The President: All in favor of the amendment will say aye; opposed, no. The amendment offered by Mr. Frame is carried, and the question is now on the adoption of Mr. James' resolution as thus amended. All in favor of the adoption of the resolution as amended will say aye; opposed, no. The motion prevails and the resolution is adopted.

Report of Currency Commission.

[The report of the Currency Commission will be found on page 142.]

Next in order is the report of the Currency Commission.

Mr. F. J. Wade, of St. Louis, Mo.: I ask that this report be deferred for the present.

Mr. W. J. Bailey, of Kansas: I rise for information. At the Briarcliff meeting the Finance Committee offered a resolution, which was adopted that so far as practicable members of committees should be appointed from the membership of the Executive Council. Now in all my listening I have not heard anything about that.

The President: That was embraced in the report of the Executive Council.

Mr. Bailey: Then that becomes the law of the Association, does it?

The President: Yes, sir. I will call upon the Law Committee now for its report.

Mr. James Dinkins, of Louisiana: Mr. President and Gentleman, the Law Committee, through its chairman, have asked me to present the following report:

Report of Law Committee.

[The report of the Law Committee is printed on page 144.]
Mr. James: I move that the report be received and placed on file.

Seconded.

The President: The motion prevails. Next in order is the report of the Bills of Lading Committee.

Report of Bills of Lading Committee.

[The report of the Bills of Lading Committee will be found on page 141.]

The President: Without objection, the report will be received and placed on file. There being no objection, it is so ordered.

Mr. Joseph Chapman, of Minnesota: I rise for information. Is there or not two classes of committees in this association—that is, committees of the Convention and committees appointed by the Executive Council?

The President: Yes, sir; there is.

Mr. Chapman: Then, referring to the remarks made by Governor Bailey in respect to the action taken by the Executive Council, what is the standing of this Bill of Lading Committee, it being a committee of the Convention? Is it discharged, or is the appointment for the continuation of the committee from now on in the hands of the Executive Council?

The President: If my recollection is correct the Bill of Lading Committee, which has been continued and of which Mr. Hollister is chairman and of which the first chairman was Mr. Lewis E. Pierson, was appointed by the then president of the Association, Mr. John L. Hamilton.

Mr. Chapman: It was a committee of the Convention then?

The President: Yes.

Mr. Chapman: Then as no motion was made to continue that committee, is the committee in existence from now on?

The President: I will ask Secretary Farnsworth to explain that.

Secretary Farnsworth: Under amendments to the constitution which were made, I think a year ago, there were certain standing committees created and certain other committees created. In the event of the continuance of these committees the appointment is vested in the Administrative Committee, unless the Convention sees fit to take the matter into its own hands and appoint the committees.

The President: I think Mr. Pierson is in the Convention; he was up here on the platform a while ago, and I would suggest, Mr. Chapman, if you call upon Mr. Pierson he will be able to give you information about the matter.

Mr. James: I do not think there is any difficulty about understanding the constitution of the committees under our organization. This Convention has power to make any committee that it sees fit. All committees appointed during the period of a convention which are to report during the Convention are appointed by the presiding officer. If, however, a committee is constituted whose duties run beyond the term of the Convention, that committee is appointed by the Administrative Committee, but it is a Convention Committee. Both classes of committees die with the Convention. The Committee appointed by the presiding officer of a Convention dies with that Convention. A committee appointed by the Administrative Committee dies with the next Convention. All so-called standing committees die with the end of the year, but they may be reappointed, either in whole or in part, by the Administrative Committee. The Executive Council appoints its own committees, and they have nothing to do with the Convention committees and the latter committees have nothing to do with the Executive Council, except in so far as they are directed by resolution or otherwise to report to the Executive Council. So there is really no conflict. The committees appointed by this body are the committees of this body, and the committees appointed by the Executive Council are their committee. Neither conflict with the other. But recently for the purposes of economy it was suggested that, in the appointment of committees it would be well to appoint members of the Executive Council for the reason that they must assemble between the annual conventions, and it would be a very material saving of expense to the Association; but there is no conflict between the committees of this body and the committees of the Executive Council; they all expire annually and must be reappointed, or the entire membership of any committee be appointed and a new body appointed each year.

Mr. Bailey: In order that there may be no controversy, as I was the author of the resolution that, in the interest of economy, the committees should be made up as far as practicable from the membership of the Executive Council, here is one case where there should be an exception. Mr. Hollister and Mr. Wexler and the other men who have been on that committee should be retained on the committee as long as there is any work for the committee to do; and I move you, sir, that the personnel of this committee be continued.

Mr. Chapman: I second the motion.

The President: All in favor of the motion will say aye; opposed, no. The motion is carried.

Next in order is the report of the Committee on Express Companies and Money Orders.

Report of the Committee on Express Companies and Money Orders.

[The report was read by Mr. Thornton Cooke, chairman of the committee.]

The President: The report will be received and placed on file.

Mr. F. J. Wade, of Missouri: Mr. President, with your permission I am ready now to present the report of the Currency Commission.

Report of the Currency Commission.

[The report of the Currency Commission was then read by Mr. Festus J. Wade, of St. Louis, Mo. It will be found on page 142.]

ASSOCIATION TO CO-OPERATE WITH OTHER BODIES IN BANKING REFORM.

Mr. Wade: In submitting this report I offer the following resolution:

In order that the position of the American Bankers' Association as to a reformation of our financial and banking system may be fairly understood and correctly placed before the public.

Be It Resolved, That this Association will co-operate with any and all people in devising a financial system for this country which shall place us on a par with the other great commercial and competing nations—a system which shall give to the American people of all classes and conditions the financial facilities and industrial advantages to which they are entitled.

I move the adoption of this resolution.

Mr. George M. Reynolds, of Chicago: I second it.

The President: Gentlemen, you have heard the resolution presented by the Currency Commission. Are you ready for the question? All in favor of the resolution will say aye; opposed, no. It is carried and the resolution is adopted.

Is there any report from the Insurance Committee, of which Mr. Robert E. James is chairman?

Mr. James: I desire to report that the committee is gathering data and at this time simply reports progress, in anticipation of being able to report more fully later on.

The President: You have heard the verbal report of the chairman of the Insurance Committee and it will be received.

Next in order is the report of the Committee on Forms for National and State Banks. I believe there is no report to be made.

Mr. John F. Seeley, of Caro, Mich.: Mr. President and Gentlemen, as a high private in the ranks of this Association for over twenty-five years I have had pleasure in studying the physiognomies of these great captains of finance. We are living in a very practical age and of time saving devices. Note the typewriter, the adding machine, the fast printing presses, the automobiles, and what not. But in the matter of our paper money we are still plodding along in the old-time consuming way, not up-to-date. When I was a younger man and the cashier of a large commission house in New York City I used to stand in line to make our deposits in the Irving National Bank. Occasionally the receiving teller would say to me, "Fix up your currency," handing me back the pass book and deposit. What would he say to-day if that same teller could be in all the 26,000 smaller banks of our country, where much of the money is brought in all mixed up, part face up and part back up?

With an estimate of a million men in the United States handling currency every day, would it not expedite business and save time, energy and patience if the new currency or bank notes proposed to be issued by the Government and the National banks could be printed with large denominational numbers on the four corners and on the face only? And then let the printing on the back be in fine script.

When the formation of a new currency for the American people is under serious consideration as an economic proposition and convenience as to size, why not advise the elimination of the every-day objections to the old currency now in use? Is not the present the opportune and psychological time in which we would use our influence for the improvement of the money for a lifetime?

The conservation of our national resources is much discussed. Why not pay some attention to the conservation of our time?

If this meets your approval I trust that this National Association of Bankers will instruct the General Secretary to so communicate its desire by recommending to the Secretary of the Treasury at Washington that the large denomination numbers be printed on the face only.

After thirty-four years' experience in the banking business I feel that this matter is of very great importance to the future comfort, not only of bankers, but of the tens of thousands of cashiers in stores, post offices, corporations and ticket sellers

throughout the land—all of whom will hail with delight the public announcement through the press of your action at this time if in the affirmative.

The President: Does the gentleman make any motion in connection with his remarks?

Mr. Seeley: Yes, I will make a motion. I move that the General Secretary of the American Bankers' Association be authorized to communicate to the Secretary of the Treasury of the United States, expressing the desire of this Association in the matter of having the denominational numbers printed upon the face of new currency only.

The President: The Chair would suggest that the subject matter referred to by the gentleman and the resolution ought to go to the Executive Council.

Mr. Seeley: Very well, sir. Then I move that it be so referred.

The motion was seconded.

The President: All in favor of the motion will say aye; opposed, no.

This completes our programme for the day, and the Convention will stand adjourned until 10 o'clock Friday morning, as to-morrow and Thursday are to be given up to the several meetings of the various Sections.

Adjourned to Friday, September 13, 1912, at 10 a.m.

SECOND DAY'S PROCEEDINGS.

MORNING SESSION.

Friday, September 13, 1912.

The President: The Convention will rise while the divine blessing is invoked by the Rev. Joseph A. Vance, D. D., pastor of the First Presbyterian Church, of this city.

INVOCATION.

Almighty God, our Heavenly Father! We have gathered here again this morning to deliberate upon the things which are dear to our hearts and which are engaging the activities of our lives. We look up to Thee as the God over all, blessed forevermore. Thou hast revealed Thyself to us, and called us to discover the laws for our lives and intelligently to relate ourselves to Thee and the world in which Thou hast placed us. With the dawning of each day our faces are lifted to Thee for light, and as we seek a path by which to walk we seek Thy guidance and grace that we may walk in it uprightly and well.

We ask Thee for Thy guidance in the deliberations of this day that with clear vision and undaunted loyalty to the truth and the good of men we may see the things that are excellent and prove them, that we may discover the paths by which we may walk to a larger life and a richer service, and give ourselves to them with renewed diligence and intelligence.

We pray Thee to teach us day by day Thy holy will, and help us reverently to see the truth and the path of life as men who must give accounting for a trust and as men who pass this way but once.

May the years that come on us not only change our hair to gray and write the traces of them on our faces, but may they mellow our hearts, fill us with a greater love for men and a greater hunger to do good and grow good, and as we travel into the future may it be with a cheerier heart and a gladder joy in our life for the mere privilege of living and learning to love man and honor our Lord.

We pray Thee to bless the homes from which we come and the things that we have left behind us in places that are dear to us. Safeguard them from all peril. Guide the children we have left from evil, and grant grace, Lord, to the wives to execute the double responsibility that rests upon them in our absence, so that all those dear to us may be cared for aright, and preserved in God's good way.

We pray Thee to let Thy blessing rest upon each man and the men who are associated with us as we gather here from day to day, and may we not only learn better ways in which to handle the peculiar departments of business that engage us, but may we learn to be better men. Deliver us, O Lord, from sinking our manhood in our professions, and deliver us from looking on this world and the men and women who people it as simply a source from which we may draw the means to gratify our own selfish ambitions and personal inclinations. May we get more and more of Christ's point of view as we live with men; may we learn to love them as He did, and as we plan and then try to carry out our plans in using the great interests that are entrusted to us, may this be our greatest desire: To live lives that will be as radiant and beautiful when they have been finished as our Lord's is to us to-day.

And we ask these mercies in Jesus' name, Amen.

The President: The gentleman whom it is my pleasure to present to the Convention now hardly needs an introduction at my hands. He has written so much on questions involved with the banking business that I presume there are few, if any, in this audience who have not read more or less of what he has published on these various topics.

He was appointed by the War Department as a Special Commissioner on the Currency System of the Philippines in 1901, and was the author of the present gold standard system there, and consulted by the Mexican Government in 1903 in regard to their monetary reform; was a member of the Commission on International Exchange in 1903, and was a delegate of the United States to the International Conference on Bills of Exchange in 1910 and 1912; and he aided in reforming the currency system of Nicaragua. And he speaks to us to-day on "Land and Agricultural Credits."

It gives me great pleasure to introduce Mr. Charles C. Conant.

Land and Agricultural Credits.

[The address of Charles A. Conant, of New York, on "Land and Agricultural Credit," is printed in full on page 120.]

The President: We have this morning received a telegram from Mr. Andrew M. Soule, President of the Georgia Agricultural College, in which he says: "Circumstances compel my immediate return to Georgia, and regret very much my inability to be with you on Friday." President Soule was scheduled to make an address here at this time, as I understand it, was on his way here, and when reaching Buffalo he received an urgent message which compelled him to turn about and return home.

Address by Andrew M. Soule.

[Though Mr. Soule was not present to make his address, we print it on page 117.]

The President: In place of Mr. Soule it affords me great pleasure to present to you Mr. Bradford Knapp, of Washington, D. C., the Special Agent in charge of the Farmers' Co-operative Administration Work in the Department of Agriculture. I might add that Mr. Knapp is the son of Dr. Knapp, who introduced the field demonstration in the cotton States. I present Mr. Knapp.

What the Government is Doing for Agriculture.

[The address of Mr. Knapp is given in full on page 128.]

William G. Edens, of Chicago, Ill.: I would like to ask Dr. Knapp what is the total sum now available for the Department in the carrying on of this work in the Cotton States, the annual appropriation?

Mr. Knapp: \$350,000.

Mr. Edens: Did the present Congress recommend an additional sum by which this work could be extended to the other States in the Union?

Mr. Knapp: Yes.

Mr. Edens: And what is the amount of that sum?

Mr. Knapp: That does not come in my office, but as I recollect it I think the sum was \$100,000.

Mr. Edens: So we have \$450,000 now available for the promotion of this work throughout the Union?

Mr. Knapp: Yes, sir.

Mr. Edens: Mr. President, I desire to make a motion that we extend a vote of thanks to Mr. Knapp for his very excellent and instructive address, and that the Secretary of Agriculture be included in the thanks, for permitting the Doctor to come here, and that this Association renews its recommendation to the present Congress to add substantially to the present appropriation for the prosecution of this work throughout the entire United States.

Mr. W. N. Homer, of Boston, Mass.: I second that motion.

Mr. Benjamin W. Hunt, of Eatonton, Ga.: I would like to have the gentleman amend that motion by providing that the Secretary of this Association write promptly upon adjournment to Secretary of Agriculture Wilson—he is a very old man, and not wait until our proceedings are printed and published—that we fully appreciate the work that the Department has done, and call his attention to our action on this subject at this Convention.

Mr. Edens: I will accept the suggestion. That might be put in the form of a letter or telegram.

The President: The Chair will put this motion as Mr. Edens made it with the acceptance of the amendment suggested by the gentleman from Georgia. I will put it as a general motion, and I would suggest that the gentleman from Illinois, Mr. Edens, will submit his motion, together with the amendment, in writing just as he desires it spread upon our record.

All in favor of the motion, gentlemen, will manifest the same by saying "aye"; those opposed, if there are any, "no." The ayes have it, and the motion prevails.

The next business in order is the report of the Committee on Agricultural and Financial Development and Education. This report will be presented by Mr. Joseph Chapman, Jr., of Minnesota.

Mr. Joseph Chapman, Jr., of Minneapolis, Minn.: Mr. President, Members of the American Bankers' Association, Ladies and Gentlemen: I dislike to take up the time by reading a report, but there are only a few pages of it, and, as this is a very important subject, I will read the report.

Report of Committee on Agricultural and Financial Development and Education.

[The report of this Committee is printed in full on page 143.]

Mr. Hunt: I move that the report be received and approved, and that the thanks of the Association be tendered to Mr. Chapman and his colleagues on the Committee for the work they have accomplished.

Mr. Bradford Rhodes, of Mamaroneck, N. Y.: I second that motion.

The President: You have heard the motion, gentlemen. All in favor of the motion will say "aye"; opposed, "no." The motion prevails.

As the Chairman of this Committee has been an indefatigable and enthusiastic worker on this subject, and, as he is much more familiar with it than I am and can pick out readily those who are interested and perhaps may take part in the discussion, I am going to ask him now to take the Chair so that he can call upon such gentlemen as wish to discuss the matter.

Mr. Joseph Chapman, Jr., of Minnesota, then took the Chair.

Chairman Chapman: Gentlemen, I accept this honor as appreciative of the fact that you are in sympathy with the work of myself and colleagues on this Committee. It is indeed an honor to preside, even for a little while, over a great Association at a meeting of this character. I will not take up much of your time, because I want to call on a number of gentlemen for short talks so that you may realize that this is not a one-man movement. But I want you to bear this in mind. There is a reason why the bankers are interested in this subject—a reason more than is stated in our report and more than you have gathered from the remarks of Dr. Knapp. In a nutshell, the reason is this. In this country we have nineteen and a half million school children. One-fifth of the population of the United States is going to school. It is costing us something like five hundred million dollars a year to educate those children. The interesting thing to you as business men is that of that nineteen and a half millions of school children only 1.71 per cent. ever reach the highest colleges; 5.72 per cent. reach our high schools. The balance of nearly 93 per cent. of the nineteen and a half millions drop out of school before they reach high school, and over 50 per cent. of that number never reach the seventh grade. In Minnesota, in 1903, we found that we were educating 435,000 school children, and of that number .4 of 1 per cent. were being educated to be producers, and 99.6 per cent. were being educated at the expense of the consumers. That is why bankers are interested in this question. That is why it is the most important question to-day before the American people. As we avail ourselves of these facts and as we discuss the situation various plans are devised to remedy the situation. I have in my hand a book of 368 printed pages, containing the reports and speeches and discussions that took place at the Conference in Minneapolis last October. It is the very best educational book ever published in this country, because the addresses given here are by practical men who have devoted the greater part of their lives to thinking of the 93 per cent. of nineteen and a half millions of children who never go into the high schools or colleges. This book will be a text book, and it should be in the hands of not only every banker, but in the hands of every business man in this country. I am very glad to report that your Finance Committee have appropriated \$2,500 to help mail this book to the bankers of the country.

Now, gentlemen, I am going to call on Mr. Harris, the President of the Illinois Bankers' Association, to give us a short talk on this subject.

Mr. B. F. Harris, of Champaign, Ill.: Mr. Chairman, Members of the American Bankers' Association. It is a privilege to talk to you for a few moments, and that privilege grows in importance as the work of this great Association spreads in the direction of agriculture. I have had the opportunity of addressing a number of State conventions this summer, so that I am not going to take advantage of you now. Some other time, when we are both better prepared for each other, perhaps I will do so. However, I have one or two thoughts to leave with you. I have been a banker and a farmer for several generations, and it is hard to say as to which profession I know the least; but I do know that this movement on the part of bankers and Bankers' Associations is in the direction of agriculture and is one of the most important questions now before the people of this country. It ought to have been started ten years ago, but you know it is a habit of the American people not to be too fast in inaugurating any new movement, but now it is started and is going ahead. An ancient Chinese philosopher said: "The well being of a people is like a tree. Agriculture is its fruit, and commerce is its branches and leaves. If the root is interfered with the branches and leaves fall away and die." In this age we realize that the word agriculture is still basic. There are other things below—education chiefly. Men of observation have long since ceased to need argument for any movement that will tend towards better methods in agriculture and towards better roads, and towards anything that will aid the cause of agriculture and the problems of real life and promote the general welfare. Problems are paramount, and they concern the Nation at large directly almost as much as they directly relate or indirectly relate to the problems of the country. While we have passed the stage of argument, there has been a great deal of debate, ethically and otherwise, whether a Bankers' Association should show its interest in these matters of public welfare. I think I will hear no challenge now when I say that that day has passed. It is a splendid sign of the time to see bankers giving half a day to such a programme as this.

The banker has been misunderstood. He has been considered as a mere money changer and percentage taker. That is not fair to the banker or to the public, for the banker has begun to take an interest in the people as well as to take interest from them.

Now, it seems to me that a man has two great concerns in

life. One is the conquest of his environment; the other is to demonstrate what life means to him. Bankers as a class have succeeded well in the conquest of their environment, and they have splendid opportunities to demonstrate their desire to do everything that will tend towards the public's welfare. We have reached the day of readjustment and realignment, that in order to be progressive we must be conservative. Yesterday man's work was valued on the basis of his material possessions. To-day it is valued on the basis of the volume of the output of his hands and his soul. Yesterday the children were to have school education for the purpose of becoming merchants and customers of the bank, but to-day and increasingly henceforth the children must be patrons of the banks and the Government, and that can only come to pass when business men, especially the leading business men of this country, reach into every hamlet and aid in education for the public welfare.

While our work is more especially along educational and agricultural lines, I want the various State Bankers' Associations to take that larger interest in public affairs which is necessary for the business men of this country to take.

Chairman Chapman: On Page 161 of this book that I have previously referred to you will find a table showing that during the period from 1907 to 1909, in rye, Germany produced 87 per cent. of the entire world's production while the United States only produced 10 per cent. Germany produced 58 per cent. of the wheat, the United States only 14 per cent. Germany produced 60 per cent. of the barley, the United States only 1 per cent. Germany produced 85 per cent. of the oats; the United States 6 per cent. Germany produced 80 per cent. of the potatoes; the United States only 7 per cent. Yet Germany has an area only equal to the area of the States of Minnesota, Iowa and Missouri.

I am now going to call upon Mr. Lester Butler, of Hood River, Ore.

Mr. Lester Butler, of Hood River, Ore.: Mr. Chairman and Gentlemen, it is a great satisfaction for me to get up here and tell you what we are doing out in our State. At our State Convention in June we had a very enthusiastic gathering. Our State Association has made an appropriation to put a man out in the field to assist our State Superintendent of the Agricultural College in the work that had been started. And I may say that Mr. Chapman, the Chairman of this meeting, came out there some three years ago, and it was largely through his efforts that the movement was started in our State. From that time on we have gone forward, and, as I say, we have put a man out in the field to assist the president of the Agricultural College and the State Superintendent through the County Superintendents has been educating our farmers along practical and advanced agricultural lines. We have made very great progress indeed, and on behalf of our State Association I want to thank the Committee of this American Bankers' Association for what it has done in instituting this movement. The results with us have been very satisfactory indeed.

Chairman Chapman: Mr. Edwin N. Chamberlain, of San Antonio, Texas, will now read a short report of his journey abroad in search of information. Will you kindly stand in front, Mr. Chamberlain?

Chairman Chapman: Now, gentlemen, we will refer again to the good book on page 264. I wanted to read to you just a line about what Mr. James J. Hill says about Denmark. I don't want you people to think the United States is the whole thing. Denmark is to-day the model farm country of the world. Denmark, with an area of about one-fifth the size of Minnesota, has 2,600,000 people that raise 38 bushels of wheat and corn per acre. Their land originally was very poor, about 3,000 square miles of their land to-day cannot be cultivated because it is so low and wet, and that is in the peninsula of Jutland. There is no place to carry the water to. But by keeping dairy cattle—they went in originally for dairy cattle—they had sufficient barnyard manure to fertilize the land; and they have gone on until they have now exported to Great Britain \$48,000,000 a year of butter and \$21,000,000 of bacon. Their farms average 43 acres. Their yield per acre is greater in every line than that of any other nation in the world that I know of. They feed their own two million six hundred odd thousand people and they export annually \$9 an acre for every acre of farm land in Denmark. For a period of ten years the gross receipts on our farms all together has not been \$9 an acre.

Gentlemen, I will now call on Mr. George E. Allen, of New York. As you know, Mr. Allen is the secretary of the American Institute of Banking, and is a member of the New York Committee. Mr. Allen.

Mr. George E. Allen, New York: Mr. Chairman and Gentlemen: From talking among bankers in attendance at the Convention, I find that not all of them, as well as not all of the public, clearly understand why the bankers are in this work. They are in it, first, as citizens and next as bankers, because any banker who is worthy of the name of banker must be a citizen. Nearly all farmers welcome the co-operation of bankers in everything, in furthering their interests, as bankers welcome the farmers in aiding them to secure a scientific system of currency. We all have to work together, and no interests work together more than the bankers and the farmers. We co-operate with the educators for the purpose of extending their work, in the general schools throughout the North, as Mr. Knapp has

told you he is doing down in the South. That should be unanimous. And some such legislation as the Page Bill, to which Mr. Chapman has referred, should receive the support of every banker by direct influence upon his Senators and members of the House of Representatives. But bankers are interested in this work as bankers as well as citizens. You have heard much, and will hear much more, regarding land credits.

Now, what is the first essential of farm credits as of all credits? It is to make the borrower able to pay. That is the banker's reason for wanting good farming, and if there are to be loans going over a long period of years, there must be assurance that the farmer will be able to pay many years from now as well as now.

Mr. Conant and Mr. Chamberlain in their very able remarks regarding foreign mortgage banking did not, perhaps, put enough stress upon the fact that nearly all of these loans are coupled with the provision that the condition of the farm as a basis of credit must be kept up, or otherwise there is an automatic foreclosure.

Now, I want to say just one word about this man in Georgia who could not get trusted for a chew of tobacco and show how that works out. As quick as he became a good farmer he became a good citizen, and all the merchants wanted to trust him. There is an element that goes into the banking relationship with the farmer in this country. The merchants are doing a large part of his banking, and Mr. Knapp, I venture to say, might have continued by telling that when he established credit in that way that he could get all of the money of the banker as well as his merchant, and very likely if he wanted a mortgage on his farm some life insurance company would have been chasing him and he not the man.

In devising new modified banking schemes it is necessary to take into consideration what we already have in this country. We hear of many stories about 37 per cent. interest to the farmer, but the statistics compiled by Mr. Conant show that the farmer on the mortgage basis has not been paying more in your old established Eastern States than the manufacturer or even the railroad.

Now, in the Northwest, where high rates are said to prevail and did prevail years ago, we find that now money is being put out at 6 per cent. or less, and that life insurance companies are sending out agents to solicit mortgages without the farmers coming to them.

There are different conditions here than in Europe, but as we are preaching scientific methods to the farmer, we must be in a receptive mood for anything that economists, farmers or anybody else suggests to us bankers. The banking system is comparatively crude in America, and probably no revolution is needed here. Our 15,000 State banks and trust companies throughout the country are machinery that can be worked into a system of credit that will solve this, and by working in connection with the farmers and the economists to create by evolution out of this system whatever is necessary in farm credit banking, and by working for improved farming methods, as citizens and bankers, we are going to reach the point easily, with no danger to any bank, where we can one day support a billion in this country with greater prosperity and happiness than we are now supporting one hundred million.

Secretary Chapman: For fear some of you may not know what the Page Bill is, and would not recognize it if you met it on the street, I am going to tell you in a word what it provides, what the provisions of that Page Bill are (reading):

For the teaching of agriculture, the trades and industries and home economies, in connection with our general secondary or public high school system	\$3,000,000
For the teaching of the trades and industries and home economies in separate schools.....	3,000,000
For instruction in agriculture and home economics in State district agriculture schools.....	3,125,000
For agricultural instruction work.....	2,980,000
For branch experiment and demonstration stations at district agricultural schools.....	1,050,000
For the education of teachers at State normal and other training schools.....	1,027,000
For the education of teachers at State agricultural colleges	480,000
For administration expenses.....	90,000
Total.....	\$14,752,000

But this is not all to be paid in any one year—not until the end of the year 1921. That is, the maximum carried under the Page Bill by the year 1921 will be \$14,752,000. In the year 1913 there will be only appropriated \$2,000,000.

1913	\$2,077,000
1914	2,477,000
1915	2,777,000
1916	13,252,000
1917	13,552,000
1918	13,852,000
1919	14,152,000
1920	14,452,000
1921	14,752,000

And the government don't pay a cent unless the State and the locality in the State to be benefited pays twice what the government does. So they have a sort of John D. Rockefeller system attached to that. They make us pay if we want to get anything.

Now, gentlemen, I am going to call on Mr. W. W. Bowman, of Kansas. He is Secretary of the Kansas Bankers' Association and thoroughly interested in this subject. I wish him to say a few words.

Mr. W. W. Bowman: Kansas is in this great movement and loves it for two reasons at least: One, because she is interested in the public welfare, and she is interested for this very reason, that she would not mind having just about double what she is now getting out of her soil. She is in it because she knows that twice one is two. She is in it because she knows that the good Lord has deposited in that rich soil out there in Kansas enough of dynamics to produce double times what we are now getting. We know full well that we are just scraping over the soil.

And if I say one little word further now it will be simply to say that we are in this movement because we want not only more bushels of corn, more wheat, more bushels of everything to the acre, but I think I should say more bushels of happiness to the people out there, more bushels of content. We see more bushels of everything that makes up the sort of home life that would beautify and inspire and uplift rural life in America, if all over this great country under this great blue sky we can have this movement swept like a great flood to reach school houses of the country, the church, the farm homes, everywhere, the boys will stay there and the girls will stay there because they love to stay there, if all that has now come to pass to the modern civilization in these modern times, taking the daily paper and the telegraph and the telephone and these other good things, this splendid theory will bring to thousands and hundreds of thousands of rural homes—something better than a dollar mark of four figures—it will sweeten and ennoble and uplift all mankind.

Chairman Chapman: To get our minds off ethics for a few minutes, we will turn back to banking, and I will ask Mr. George Woodruff, of Joliet, Ill., who has also spent the summer in Europe looking around and seeing what he could gather, to step forward.

Mr. Woodruff: Mr. Chairman and Gentlemen: It is a little hard to ask leave to make a visit with you on this subject of farm finance, after Mr. Chamberlain and Mr. Conant have covered every point of the proposition, but I would just like for a few minutes to talk on the matter, nevertheless.

You know, I am a great fellow to believe that the best way to tackle a thing is to size all of the details and get it classified, and then after you have gotten it well classified in your mind, why, if you figure out what the ultimate object is, then just keep on tugging at that ultimate object until you get there.

And so, just let me briefly call your attention if I may. The basic point that Mr. Chamberlain and Mr. Conant have brought out, you know in the first place, the farm finance is divided into two great sections—mortgage finance and personal credit finance. Now, it is a good thing to know that, to get that in our minds. And so in all farm countries it is a good thing to get that in our minds first. And so you will find in all farm countries there are two great sub-divisions of this subject of agricultural finance that we are all so much interested in—mortgage finance and personal credit finance. Then we find the main parts of mortgage finance are divided into what we might call the *Crédit Foncier* type in France, and the *Landschaften* type in Germany. In other words, our mortgage sub-division is itself divided into the *Crédit Foncier* type and the *Landschaften* type. And so also is the personal credit finance divided. That is divided into what we may call the *Reifeisen* type and the *Schultz-Delicht* type, which are very much like the ordinary credit account such as we have in our country, and what we might call the credit agricole account in France.

Now, we take up the mortgage subjects first, and we find that the *Crédit Foncier* is an organization privately owned and it is a joint stock company and is largely controlled by the Government.

The *Landschaften*, on the other hand, is a German institution and is co-operatively owned, so that we find that the mortgage division, the division of mortgage finance, is perhaps strongly divided between the privately owned corporation and the co-operatively owned corporation.

Then look at the other side, the personal credit account. We find the *Reifeisen* Bank and the *Schultz-Delicht*, which are both co-operatively owned, the *Reifeisen* Bank being a rural bank and the *Schultz-Delicht* Bank being more of an urban bank. They are voluntary associations of farmers or of artisans. Then we find the ordinary bank, which is the same as our bank, your bank and mine, which, of course, is a joint stock company and privately owned. Then in addition we find the credit and agricole system, which is a co-operatively owned bank, but which is really a state aided corporation, government corporation.

Now, I will not take your time to go into the details of all these different systems, because these gentlemen have already

covered the details very broadly, but you can easily find the information in many publications on this subject.

I want to call your attention to just one thing. There is being made a great mistake, in my mind, here in America, on this whole thing about agricultural finance, in that we are leading the farmer to believe he is going to get very cheap rates if we adopt these various systems now being followed in Europe. Now, it is a mistake. I have seen that in lots of publications. I have heard lots of people make the statement, and it is getting so the farmer believes if we get these *Landschaften* banks here or the *Reiffensen* or the *Crédit Foncier* that he is going to get money for 3 per cent.; but I am sure he will never get 3 per cent. money in this country. I think you have all seen many times the statement that the *Crédit Foncier* loans money at 3 per cent. Well, now, it is true. That is brought about by the fact that recently the *Crédit Foncier* had 100,000,000 of *Crédit Foncier* bonds and they were open at public subscription and were offered and subscribed some fifteen times over. Those were 3 per cent. bonds. So the statement has gone out in America that the *Crédit Foncier* loans money at 3 per cent. As a matter of fact, these bonds did bear 3 per cent., but they are sold at a discount. They were sold at around, say, 97, and therefore that gives the *Crédit Foncier* a little more than 3 per cent. Therefore they cost the *Crédit Foncier* a little more than 3 per cent. In addition to that, from what I know, there is lottery bonds. By that I mean that these bonds are being paid off every few months. They run for 75 years, and it is said they will be paid off by 75 years, and so they put all these bonds in a big wheel and every six months draw out a few of each bond, say 2 per cent.; and at the end of six months, suppose you happen to own one of the bonds, the man who does the drawing draws out a number, and if that number happens to be the first number drawn out you will probably get 50,000 francs for your 500-franc bond; if you are the second, perhaps you will get 30,000 francs for that bond; if it happens to be the next, you may get 10,000 francs; or if it comes the next ten or fifteen numbers you may get 5,000 francs, and after all that the rest are paid at par. If you buy one of these bonds at 97 you have a good chance to get par in six months; but if you get par every time there is a drawing you have your chance, and in addition you have a gambler's chance to get 1,000 francs or maybe 20,000 francs, or 30,000 or 50,000 francs, and so the suckers buy. (Laughter.) And they invest their money at 3 per cent. because they get a gambler's chance like that.

Now, gentlemen, I know how it works, because I bought a 500-franc bond when in Paris to bring home to some of my friends to show it to them in New York, and I intended to sell it in New York and get my 500 francs back. I got to thinking it over and said to my brother, "I am a lucky fellow; I think I will hang on to that and get the 50,000 francs," and so I have got it home and the boys have it in the home, and I will not part with it. And that is why the 3 per cent. rate is made up with the *Crédit Foncier*. It costs the *Crédit Foncier*, after paying the deposits and paying the discount, exactly 4 per cent. to place those bonds, and they lend the money to any farmer at 4.3 per cent., as Mr. Conant has stated this morning, so the farmer himself gets the money at 4.3 per cent. and not 3 per cent., as is sometimes stated.

Then, I think, the next point, the next is in connection with the *Landschaften* system in Germany, which is the other, you remember, the other side of the farm mortgage section of this question. The statement is oftentimes made that the *Landschaften* loans money to the farmers at 3½ per cent. And it is true it does, but there is a joker there. The *Landschaften* system provides a farmer may come and say I want to borrow 1,000 marks, and the *Landschaften* will grab that loan, but, instead of paying the 1,000 marks in cash like the *Crédit Foncier* does in France, it pays it in debenture bonds, its own bonds; he hands him the mortgage and it has its own bonds and gives them to the farmer, and he must market it or sell it on the Bourse. Now a farmer comes into the bank and says I wish to borrow 1,000 marks; the manager says do you want to pay 3½, 4 or 4½ per cent., and the farmer then takes his pick, and if he says I want to pay 3½ per cent., they will say all right, and when he makes out his mortgages they hand him over a bond of the *Landschaften* drawing 3½ per cent. interest, and he must go to the Bourse and sell it for maybe 85 or 80 per cent. on the dollar, and so he does not get 3 per cent. money in the *Landschaften* system in Germany, but it costs him probably in the neighborhood of 4½ or 5 per cent.

Then the third system, which I have noticed in some of the American magazines, is in connection with the *Crédit Agricole*. You remember, the co-operative division of the personal credit organization. These were mortgage organizations. This is a personal credit organization. Where the statement is made that the farmer borrows at 3½ per cent. And as Mr. Conant said this morning, some gave more. Now, it is perfectly true the farmer there does get his personal credit short time loan under very good restrictions for 3½ per cent. or 4 per cent., but that is due to a peculiar condition in France. Mr. Conant called your attention to the fact that the Bank of France was compelled to make a large draft to the government for the use of agriculture at the time of the extension of its charter,

and it has to pay in each year a certain tax. That goes to that purpose. There is always a large bond that is divided almost wholly to the department known as *Crédit Agricole*, and then the money is divided and a certain part of it is allotted to each one of the regional banks. There are about eighty-one departments, and each department has to have a bank, and the regional bank loans to each local bank and the local bank loans to the farmer, but the bank gets that money free of interest and it loans to the regional bank free of interest, and the regional bank loans to the local bank at 3 per cent., and this 3 per cent. goes to build up a reserve in the regional bank that will some time take care of this branch of the business, and a regional bank loans to the farmer at 3½ per cent., making ½ per cent. profit to cover its expenses.

Now, while the farmer does get it at that rate, it is at the expense of the Government and indirectly at the expense of the Bank of France, and the best bankers I have talked to in France are unanimous in stating it is a great mistake to furnish the farmer at artificial rate—a rate below the commercial rate—and in that way fool a farmer as to his credit standing. Some day if the fund shall be exhausted and the Bank of France should change and as repayment of this loan, the Government could not provide funds, of course, the whole thing would fall.

From your standpoint of practical banking the thing you would not stand for is the way the local bank loans the money. They endorse them to the local bank and they send them to the regional bank, and this three-name paper is forwarded to the Bank of France. Discounted by the regional bank and the Bank of France, and the Bank of France raises sometimes 4 per cent., and they sometimes have to take 4 per cent. on paper that is only receiving 3 per cent. from the farmer, and consequently the regional bank suffers a loss, which is not what we consider good banking principles.

That, gentlemen, is the answer, in my mind, to these things that I have noticed in connection with the rate, and it seems to me that we ought all to pull together to show the American people and the American farmer that while we are trying to get an abnormally low rate, we will not get it, but a rate that is as good as obtained by the railroads on long-time bonds, or which it will get on the *Crédit Foncier* system and the *Landschaften* system, on one side, and a rate that is just as good as would be obtained by the manufacturer or merchant in Chicago, on the other side. I think our present 27,000 banks in America can handle the situation and it is not necessary to create a large number of co-operative banks, because all men know that what we need in America is some single organization which will give us an outlet for the loans of these 27,000 banks, and you will find, gentlemen, when you come to study the great co-operative systems in Europe, that in every case the co-operative system would be of no consequence in this country unless we have something of that sort, and it seems to me it would be better to create a central banking organization on the lines of the National Reserve Association and allow the present 27,000 banks to handle the business.

There is a whole lot more things about this that I am interested in that I wish I had time to talk over with you, but I have taken much of your time and I am very much obliged to you.

Mr. Myron Campbell, of South Bend, Ind.: Mr. President, may I inject myself for a moment without being called on, because I want to follow this discussion with a resolution that will not require any debate, as I will ask to have it referred to a committee.

Chairman Chapman: Yes, sir, if you will not take more than a moment.

Mr. Campbell: We all realize that we ought to encourage fertilization and education along farming lines, but I think we also ought to realize that Congress acts slow in all these matters, and the resolution that I am about to offer refers to one or two features in the Aldrich Bill, and it may be a long time before Congress finally acts upon that measure, but there are one or two features that Congress might act upon at once—

Chairman Chapman (interposing): Will the gentleman kindly state his resolution that he wishes referred to a committee.

Mr. Campbell: The resolution is this:

Resolved, That the National Banking Act be amended so that Section 5,136 shall read—that is, the line "To loan money on personal security," shall read "to loan money on such security as shall be approved by its Board of Directors"; and to strike "previously" out of Section 5,137—

Chairman Chapman (again interposing): The Secretary calls my attention to the fact that it takes a two-third vote of the Convention to permit of the introduction of a resolution other than a resolution of thanks without its having first been reported out of a committee.

Mr. Benjamin W. Hunt, of Eatonton, Ga.: Do not our by-laws require that a resolution of this character shall first go before the Executive Council?

Chairman Chapman: That is the understanding of the Chair, sir.

Mr. Campbell: I beg your pardon, but by vote of two-thirds of the Convention it may be taken up and considered at any time. I ask the General Secretary if that is not so?

Secretary Farnsworth: Yes, that is right.

Chairman Chapman: The Chair rules that you will have to move for the consent of the Convention before your resolution can be entertained.

Mr. Campbell: Then, sir, I make that motion.

Mr. Edens: I second the gentleman's motion.

Mr. Hunt: I object. I came here to attend this meeting, hoping to hear a debate on this subject, and I do not wish to have the debate interfered with by the injection of resolutions not germane to it.

Chairman Chapman: Vote it down, then, when the question is put. All in favor of the Convention entertaining the resolution presented by the gentleman from Indiana will say "aye"; opposed, "no." The motion is lost.

I will now call on Mr. H. P. Beckwith, of North Dakota, to give us a talk.

H. P. Beckwith, of Fargo, N. D.: My talk will be very brief, gentlemen. I will simply give you a few practical facts. North Dakota won the prize at the agricultural meeting in St. Paul, and I want to tell you why we did it. We have, in North Dakota, the only system in actual operation of this movement. We have an incorporation called the North Dakota Better Farming Association, and to carry on our work we have raised \$150,000 a year for three years. That money was raised principally through the banks, though, of course, we got some out of the railroad and the milling interests; but they benefit by the movement as materially as do the rest of us.

I have jotted down two or three of the results that we have obtained. Taking a piece of 120 acres of wheat. In 1911 the yield was 12½ bushels to the acre. In 1912 it was 21¼ bushels to the acre. Another piece of 40 acres sowed to oats. In 1911 the yield was 32 bushels to the acre. This year it is 49 bushels per acre. I could go on and give you numerous other similar instances if time permitted. And we have only just started this work. We have engaged an Agricultural Adviser, and he goes out to the country, to the farmers in the different sections, and gets right down to the farmer and works with the farmer. We have tried the plan of sending out circulars to the farmers, but we do not think it is useful in obtaining results, because they do not always read them. We think a better plan is to send an expert to them who will actually teach them modern methods, and who will instruct them in respect of the selection of various seeds. We have supervisors under our agricultural department in each county, and they supervise the work of these instructors. The greatest trouble that we have experienced is in getting suitable instructors. We have had to scour the country practically to get those that we have now.

Another thing, we are getting consolidated schools in our State that are teaching agricultural culture and domestic science along the same line that is now being taught in the schools of Illinois. We are also making an effort to get the boys interested so that they will take up agriculture for a business. We are offering prizes for scholarship, much in the same way as has been done and is being done in the South to-day.

This movement up in our State was originally called the Hundred Acre Club, but we have changed that name and now call it the Better Farming Association. I have nothing but good results to report.

Benjamin W. Hunt, of Eatonton, Ga.: I want to say that Mr. Livingstone, of the Fifth Georgia District, was the man who did more than any one else to get these boys' Corn Clubs started. The Georgia Bankers' Association then became interested and they have been helping these clubs along.

Now, in this discussion I notice that there is one thing that has been left out, and that is the home life of the farmers. A boy will leave the farm and go into town and work in a dry goods store rather than stay home, and what we want to do is to inculcate in our farmers the idea of making homes pleasant. Why, there are rich farmers down in my country that live in almost absolute wretchedness. The younger generation that is growing up ought to be surrounded with the beauty and restfulness of art that all nature intended should be thrown around the home of a farmer. If we bankers teach the farmers how to grow more corn and how to amass more riches that is all very well, but it will never keep the boy on the farm or send the boys back to the farm until we do something to make the farm more of a real home—make it more attractive. We owe it to the people not only to make farming more comfortable, so that the farmers will make more money, but we want to do something to make the farmers' homes more attractive. What are you going to do with the money? Every man here in this Convention doubtless has all the money that is good for him, but if he has not a restful, happy home what good is it? We shall be at fault as leaders of the people if we do not make farm life attractive as well as profitable.

Chairman Chapman: I refer the gentleman from Georgia to this book, in which you will find a number of addresses on the subject of which he has spoken.

Mr. Breckinridge Jones, of St. Louis, Mo.: Mr. Chairman, I move that this Convention tender a vote of thanks to Mr. Charles A. Conant, and to the other speakers, for their addresses upon this occasion.

Mr. Hunt: I take pleasure in seconding that motion.

Chairman Chapman: Gentlemen, you have heard the motion.

All in favor of it will say "aye"; opposed, "no." The motion is carried.

I should have liked to have the Convention hear a number of other gentlemen this morning, but time forbids, and I hope that the gentlemen whom I have not called upon will not feel hurt that they have not had a chance to speak on this subject. Next year I trust that in arranging the programme for the Convention an entire day may be devoted to this subject.

And now, Mr. President, thanking you for your courtesy, I turn over the gavel.

Mr. Livingstone, the President of the Association, then resumed the Chair.

The President: Gentlemen, United States Senator Townsend will be present this afternoon and address the Convention promptly at 2.30 o'clock, and I hope there may be a large attendance.

Secretary Farnsworth: I desire to announce that there is a large quantity of mail and some telegrams addressed to members of the Association at the Information Bureau in the Hotel Pontchartrain.

The President: We will now take a recess until 2 o'clock.

A recess was then taken until 2 p.m.

AFTERNOON SESSION.

The President: The Convention will please be in order. Is the Federal Legislative Committee ready to report?

(No response.)

We will pass that. Is there any report from the Organization of State Secretaries?

(No response.)

Report of Committee on Forms for National and State Banks.

[The report of this Committee is printed on page 144.]

Is there any report from that Committee?

Secretary Farnsworth: Yes; that report is here.

The President: Unless there is objection, the report will be received and filed. There being no objection, it is so ordered.

NEXT CONVENTION TO BE HELD AT BOSTON.

The next business in order is invitations for the next Convention.

Secretary Farnsworth: Invitations for the next Convention have been received from New York City, through Group 8 of the New York State Bankers' Association; from Boston, through the Clearing House Association of that city, and also from representative bankers; from Atlantic City, through the Atlantic City Publicity Bureau; from Indianapolis, Ind., through the Publicity Bureau of the Commercial Club of that city, readnig as follows (reading the several invitations referred to).

The city of Buffalo, N. Y., also sends a communication respecting the holding of the Convention in 1914 in Buffalo.

There are also in the hands of your Secretary invitations from San Francisco and from Seattle for the Convention of 1915.

Mr. George M. Reynolds, of Chicago, Ill.: Recognizing as I do how much more advantageous it is to the locality which undertakes to entertain a large gathering to know as far in advance as may be that it is going to be asked to take care of the gathering, I move that this Convention accept with thanks the invitation of the Boston bankers to meet in the city of Boston in 1913.

F. H. Colburn, of San Francisco, Cal.: I second that motion.

The President: Gentlemen, you have heard the motion that the Convention next year be held in the city of Boston. Are you ready for the question? All in favor of that motion will say "aye"; opposed, "no." It is carried unanimously.

Mr. Charles A. Ruggles, of Boston, Mass.: On behalf of the Boston Clearing House Association and on behalf of the many bankers of our city, I thank you and assure you that when you come to Boston next year we will give you a royal welcome.

The President: We have with us a distinguished citizen of our State and of the nation, who, through some misunderstanding, was not present with us on Tuesday as he expected he would be, and I take great pleasure in introducing to you United States Senator Townsend, of Michigan.

The Bankers in Their Relation to the People.

[We print the address of Senator Charles E. Townsend on page 125.]

The President: Unfinished business is the order on our programme. Is there anything under this head? (No response.)

The next item on the programme is communications from Executive Council. There is nothing under this head, I understand. Resolutions are next in order.

THANKS TO DETROIT.

Mr. Stephenson: I move that this Convention extend a cordial vote of thanks to Hon. Charles S. Osborn, Hon. Charles E. Townsend, Hon. Charles A. Conant, Dr. Bradford Knapp, and

to Hiram Walker & Sons, to the Burroughs Adding Machine Company, to the members of the press and the reporters and the newspapers of the city of Detroit; to the Associated Banks of Detroit; to the Packard Motor Car Company for their courtesy extended in sending their band to play for us this afternoon, and to the citizens generally of Detroit, who have extended cordial, delightful hospitality and courtesies to us and have made this a gala week for the members of the American Association during our sojourn in this city. (Applause.)

The resolution was variously seconded.

The President: Gentlemen, you have heard the resolution expressive of the thanks of the Convention to the guests of the Association who have delivered addresses and to the banks and individuals who have extended courtesies to us. All in favor of the adoption of the resolution will manifest it by rising. The resolution is unanimously adopted.

John F. Seeley, of Caro, Mich.: Mr. President, are we still under the head of resolutions?

The President: Yes, sir.

Mr. Seeley: I have a resolution that I desire to offer.

The President: Resolutions that do not come reported out from a committee cannot be entertained unless with the permission of the Convention by a two-thirds vote.

Mr. Seeley: I ask unanimous consent to present the resolution.

Mr. Hunt: I object.

The President: The Chair has no parliamentary right to permit the introduction of the resolution, but as a matter of courtesy will permit the gentleman to read it.

Mr. John T. Dismukes, of St. Augustine, Fla.: I rise to the point of order that the Chair cannot even entertain the resolution as a matter of courtesy when objection has been made, and objection was made by a gentleman on my right.

The President: Then the Chair is compelled to sustain the point of order.

Mr. Seeley: The reason I ask leave to read the resolution is so that it may get before the Executive Council now and not be delayed for a year.

Mr. W. G. Edens, of Chicago, Ill.: I move that unanimous consent be given for the gentleman to read his resolution.

Mr. W. W. Cloud, of Baltimore, Md.: I second that motion.

Mr. Dismukes: I move to lay the resolution on the table.

Mr. Hunt: I second the motion.

The President: It has been moved, and the motion is supported, to lay this resolution on the table, and that is the first question that we will vote on. All in favor of laying the resolution on the table will say "aye"; opposed, "no."

The motion to lay on the table is lost.

The question now recurs on the motion made by Mr. Edens to permit the reading of the resolution. All in favor of that motion will say "aye"; opposed, "no."

The motion is carried and the gentleman from Michigan may read his resolution.

Mr. Seeley: Gentlemen, I thank you. I have had this matter under consideration for over a year and it had come to a point where—

The President (interposing): The gentleman from Michigan will proceed to read his resolution.

Mr. Seeley: All right, sir. The resolution is as follows:

Whereas, The bank note or currency now in use, is printed with large or distinctive figures on both the back and face, and causing the people to count their money from the back as well as the face; and,

Whereas, The 26,000 smaller banks of our country are put to the trying experience of rearranging much of their customer's currency offered for deposit or for the payment of notes; and,

Whereas, At no time in our history could relief from this old time-consuming currency be better had than at the present time; therefore, be it

Resolved, That the Secretary of this Association be directed to write to the Secretary of the United States Treasury—Mr. McVeagh—recommending that the large denominational numbers be printed upon the face only of the proposed new issue of Government and National Bank notes.

I move the adoption of this resolution.

The President: Is not this the resolution that was offered on Tuesday and referred to the Executive Council?

Mr. Seeley: I beg to say that this resolution has not been introduced before.

Mr. R. A. James, of Easton, Pa.: Unless this resolution has been reported from the Executive Council it cannot be considered by the Convention. Now, the gentleman has been accorded the courtesy of reading his resolution, but the resolution cannot be considered and acted upon by the Convention if objection is made, and I heard some gentleman here object; it cannot be considered by the Convention except by a two-third vote, but it must go to the Executive Council.

The President: Does the gentleman from Pennsylvania make that point of order?

Mr. James: I do, sir.

The President: The Chair sustains the point of order. Now, are there any other resolutions?

Secretary Farnsworth: There is a resolution which was submitted to the Executive Council by William R. Creer, President of the Cleveland Savings & Loan Company, of Cleveland, Ohio,

and reported out from the Executive Council and which resolution reads as follows:

RESOLUTION IN FAVOR OF ONE-CENT LETTER POSTAGE.

Whereas, The annual reports of the Postmaster-General for fiscal years ending June 30, 1910, and 1911, show that first-class (letter) mail, produced in the first of these two years a profit of over \$58,000,000, and in the second (the current year), a profit of more than \$62,000,000, which sums were entirely absorbed by the losses incurred in handling other classes of mail at less than cost of service; therefore, be it

Resolved, By the American Bankers' Association, that all users of letter postage should be accorded a one-cent rate for the ordinary letter with as little delay as possible.

Mr. Creer: I move the adoption of that resolution, Mr. President.

Mr. Edens: I second it.

The President: It has been moved and seconded that the resolution just read be adopted. Are there any remarks?

Mr. Creer: I know that the gentlemen of the Convention are in a hurry to get away, but I would like to speak briefly on this resolution. As it states, in the past two years the profit on first class postage has been more than \$50,000,000 in one year, and in another year over \$60,000,000. Now, in the last year the loss on second-class mail matter was \$66,000,000, and it is growing greater every year. One pertinent fact will explain the reason. The large majority of publications that seek entrance under the second-class rating of one cent per pound are nothing but advertising schemes in disguise, and that portion of the publication which is other than advertising is in the large majority of instances devoid of literary ability or educational value, and so far as the youth of the land are concerned, it would be much better that it were buried in the deep sea than ever perused.

The second-class mail matter constitutes 63 per cent. of the tonnage of all mail matter moved, yet it only pays four per cent. of the annual revenues of the Post-Office Department. The little postal card turned in to the Post-Office treasury last year \$18,000,000. They weighed 10,000,000 pounds. The second-class mail matter turned in, in revenue to the Post-Office Department, \$9,000,000, and it weighed 953,000,000 pounds. We were entertained and enlightened this morning on farm development, and we were told that Congress had made an appropriation of \$450,000 to put instructors in the field to teach up-to-date farming. If the money gained in profit to the Post-Office Department in the last ten years had been used for that purpose a farming instructor would have been placed in every county of the United States, and with a ship subsidy used out of the same funds the American flag could have been put in every port in the world.

The Post-Office Department is in favor of this plan, and the President of the United States has declared himself also in favor of it. We ask for an adjustment. We do not want any lapsed arrangement made, but we want "Jones to pay the freight." We want to pay for our first-class mail matter all that it costs the Government to move it, and we ask that the other fellow be made to pay what it costs the Government to move his second-class mail matter. Why, gentlemen, it is a matter of some little humor when you reflect that if you wish to mail a copy of the Holy Scriptures it will cost you eight cents, whereas the "Philistines" can be mailed for one cent. (Laughter.)

The President: Are you ready for the question on this resolution. If so, all in favor of its adoption will say "aye"; opposed, "no."

The motion is carried and the resolution is adopted.

We now come to the report of the Committee on Nominations.

NOMINATIONS AND ELECTIONS.

Mr. J. W. Wheeler: Mr. President and Members of the American Bankers' Association, the Committee beg to submit the following report:

For President, we recommend and nominate Charles H. Huttig, President of the Third National Bank, St. Louis, Mo.

FOR FIRST VICE-PRESIDENT.

Arthur Reynolds, President of the Des Moines National Bank, Des Moines, Iowa.

FOR VICE-PRESIDENT FOR THE DIFFERENT STATES AS NOMINATED AT CONVENTIONS OF THE STATE ASSOCIATION AND CERTIFIED TO THIS ASSOCIATION BY THE SECRETARIES THEREOF:

Alabama—Eugene F. Enslin, President Jefferson County Savings Bank, Birmingham.

Arkansas—Stuart Wilson, Cashier State National Bank, Texarkana.

California—C. W. Bush, President Bank of Yolo, Woodland.

Colorado—Chas. S. Haughwout, Cashier First National Bank, Denver.

Connecticut—G. Leslie Hopkins, Cashier First National Bank, Norwich.

District of Columbia—George W. White, President National Metropolitan Bank, Washington.

Florida—Bainbridge Richardson, President Germania Bank, Jacksonville.

Georgia—E. A. Pendleton, Cashier National Exchange Bank, Augusta.

Idaho—C. E. Bowerman, President First National Bank, St. Anthony.

Illinois—H. E. Otte, Vice-President National City Bank, Chicago.
 Indiana—J. C. Johnson, Vice-President Citizens' National Bank, Evansville.
 Iowa—B. B. Clark, President Red Oak National Bank, Red Oak.
 Kansas—C. N. Prouty, Cashier Exchange State Bank, Kansas City.
 Kentucky—J. W. Stoll, President Lexington National Bank, Lexington.
 Louisiana—J. H. Fulton, President Commercial National Bank, New Orleans.
 Maine—Sumner C. Parcher, Cashier York National Bank, Saco.
 Maryland—William J. Chapman, Vice-President Maryland National Bank, Baltimore.
 Massachusetts—Frank A. Drury, President Merchants' National Bank, Worcester.
 Michigan—Vernon T. Barker, President Home Savings Bank, Kalamazoo.
 Minnesota—W. H. Putnam, President Bank of Pierce, Simmons & Co., Red Wing.
 Mississippi—O. Newton, Jr., President Jackson National Bank, Jackson.
 Missouri—C. C. Evans, Secretary-Treasurer Sedalia Trust Co., Sedalia.
 Montana—C. C. Swinborne, Cashier Daly Bank & Trust Co., Butte.
 Nebraska—L. P. Sornson, Cashier The Pioneer Bank, Eustis.
 New Jersey—Harry Conard, Cashier First National Bank, Perth Amboy.
 New York—Bradford Rhodes, President First National Bank, Mamaroneck.
 North Carolina—W. C. Wilkinson, Cashier Merchants' & Farmers' Bank, Charlotte.
 North Dakota—J. J. Earley, Cashier Bank of Valley City, Valley City.
 Ohio—P. W. Huntington, President Huntington National Bank, Columbus.
 Oklahoma—G. D. Davis, Cashier National Bank of Claremore, Claremore.
 Oregon—J. H. Albert, President Capital National Bank, Salem.
 Pennsylvania—W. F. Weston, President Kane Bank & Trust Co., Kane.
 South Carolina—E. P. Grice, Cashier People's National Bank, Charleston.
 South Dakota—W. E. Stevens, President State Banking & Trust Co., Sioux Falls.
 Tennessee—I. B. Tigrett, Cashier Union Bank & Trust Co., Jackson.
 Texas—William R. Hamby, President Citizens' Bank and Trust Co., Austin.
 Virginia—Julien H. Hill, Cashier National State & City Bank, Richmond.
 Washington—M. F. Backus, President National Bank of Commerce, Seattle.
 West Virginia—Edwin Mann, President First National Bank, Bluefield.
 Wisconsin—E. A. Dow, President State Bank of Plymouth, Plymouth.
 FOR VICE-PRESIDENTS FOR THE DIFFERENT STATES AND TERRITORIES WHERE THE MEMBERSHIP IN THE AMERICAN BANKERS' ASSOCIATION IS LESS THAN ONE HUNDRED:
 Alaska—C. J. Hurley, President American Bank of Alaska, Fairbanks.
 Arizona—J. G. Spangler, Cashier Mesa City Bank, Mesa City.
 Delaware—John S. Rossell, Vice-President Security Trust & Safe Deposit Co., Wilmington.
 Nevada—F. M. Lee, Vice-President Nixon National Bank, Reno.
 New Hampshire—F. W. Sawyer, Vice-President and Cashier Souhegan National Bank, Milford.
 New Mexico—C. N. Blackwell, President First National Bank, Raton.
 Rhode Island—Governor Aram J. Pothier, President Union Trust Co., Providence.
 Utah—W. S. McCornick, of McCornick & Co., Bankers, Salt Lake City.
 Vermont—Arthur G. Eaton, Cashier First National Bank, Montpelier.
 Wyoming—H. B. Henderson, Cashier Wyoming Trust & Savings Bank, Cheyenne.
 Canada—H. S. Holt, President The Royal Bank of Canada, Montreal.
 Cuba—J. A. Gonzales Lanuza, President Trust Co. of Cuba, Havana.
 Hawaii—G. C. Kennedy, President First Bank of Hilo, Ltd., Hilo.
 Isle of Pines—E. L. Kennedy, President National Bank & Trust Co., Neuva Gerona.
 Philippine Islands—John S. Hord, President Bank of Philippine Islands, Manila.
 Porto Rico—C. S. MacDonald, Manager Royal Bank of Canada, Ponce.
 Mexico—H. H. Hanson, Manager International Banking Corporation, Mexico City.

FOR MEMBER OF THE EXECUTIVE COUNCIL REPRESENTING THE TRUST COMPANY SECTION:

Ralph W. Cutler, Chairman, President Hartford Trust Co., Hartford, Conn.

FOR MEMBER OF THE EXECUTIVE COUNCIL REPRESENTING THE SAVINGS BANK SECTION:

Wm. E. Knox, Chairman, Comptroller Bowery Savings Bank, New York.

FOR MEMBER OF THE EXECUTIVE COUNCIL REPRESENTING THE CLEARING HOUSE SECTION:

A. O. Wilson, Chairman, Vice-President State National Bank, St. Louis, Mo.

FOR MEMBER OF THE EXECUTIVE COUNCIL REPRESENTING THE AMERICAN INSTITUTE OF BANKING SECTION:

F. A. Crandall, Chairman, Vice-President National City Bank, Chicago, Ill.

FOR MEMBER OF THE EXECUTIVE COUNCIL REPRESENTING THE STATE SECRETARIES SECTION:

W. C. MacFadden, President, Vice-President Commercial Bank, Fargo, N. D.

Nominations for the States that have been starred (Illinois, Indiana, and Kentucky), were as a result of action taken by members in attendance at this Convention as their respective Conventions will not be held until after this Convention.

FOR MEMBERS OF THE EXECUTIVE COUNCIL AS NOMINATED AT CONVENTIONS OF STATE ASSOCIATIONS AND CERTIFIED TO THIS ASSOCIATION BY THE SECRETARIES THEREOF:

FOR TWO YEARS.

F. J. Carr, President Bank of Hudson, Hudson, Wis.

FOR THREE YEARS.

Georgia—Joseph A. McCord, Vice-President Third National Bank, Atlanta.

Idaho—J. E. Clinton, Jr., Vice-President Boise City National Bank, Boise.

Illinois—Edgar E. Crabtree, Vice-President F. G. Farrell & Co., Jacksonville.

W. T. Fenton, Vice-President National Bank of the Republic, Chicago.

Indiana—Joseph R. Voris, President Citizens' National Bank, Bedford.

Iowa—H. M. Carpenter, President Monticello State Bank, Monticello.

Kansas—E. E. Ames, Vice-President Central National Bank, Topeka.

Maine—E. S. Kennard, Cashier Rumford National Bank, Rumford Falls.

Massachusetts—Downie D. Muir, Vice-President First National Bank, Boston.

William A. Machie, Cashier First National Bank, New Bedford.

Michigan—Dudley E. Waters, Chairman of the Board, Grand Rapids National City Bank, Grand Rapids.

Minnesota—Joseph Chapman, Jr., Vice-President Northwestern National Bank, Minneapolis.

Missouri—J. S. Calfee, Cashier Mechanics' American National Bank, St. Louis.

A. D. Buckner, Cashier Paris National Bank, Paris.

Nebraska—W. H. Bucholz, Vice-President Omaha National Bank, Omaha.

New Jersey—H. G. Parker, President National Bank of New Jersey, New Brunswick.

New York—Walter H. Bennett, Vice-President American Exchange National Bank, New York.

Pennsylvania—D. C. Wills, Cashier Diamond National Bank, Pittsburgh.

Tennessee—J. L. Hutton, President Phoenix National Bank, Columbia.

D. M. Armstrong, Cashier Commercial Trust & Savings Bank, Memphis.

Texas—W. F. McCaleb, President West Texas Bank & Trust Co., San Antonio.

Washington—W. D. Vincent, Cashier Old National Bank, Spokane.

Wisconsin—E. H. Wing, Vice-President Batavian National Bank, La Crosse.

I move the adoption of the report.

The President: A motion that the rules be suspended and the report adopted would be in order.

Mr. Edens: I move that the rules be suspended and that the report of the Nominating Committee be adopted.

Mr. Joseph Chapman, of Minnesota: I second the motion.

The President: All in favor of the motion will say "aye"; opposed, "no."

The motion prevails and the report of the Committee is adopted. It affords me very great pleasure to present the President-Elect, and you will permit me to say that, while the Association thus honors him, it has honored itself by electing a man who will ever have the interests of bankers at heart, and who ever stands willing to give the very best that is in him for the advancement of the American Bankers' Association. (Applause and cheers greeted the President-Elect as he stepped forward.)

President Huttig: Members of the American Bankers' Association: I thank you with all my heart for the honor you have conferred upon me. The financial and commercial welfare of this country is largely centered in the hands of you who make up the membership of this organization, and to properly discharge the duties of the position with which you have favored me will be my greatest ambition. The American Bankers' Association is committed to certain important work, and we will lend our best efforts to successfully carry it out. Special attention will be directed to securing federal legislation in the matter of banking and currency reform. It is the immediate business of the bankers of this country to secure the passage of laws that will keep our banking and industrial affairs in a normal and healthy condition. We must not follow others; we must lead. (Applause.)

What is the further pleasure of the Convention?

LOVING CUP FOR PRESIDENT HUTTIG.

Mr. W. W. Hoxton, St. Louis, Mo.: I have the honor, sir, to hand you this token in behalf of those who rejoice in your elevation to the Presidency of the American Bankers' Association. In behalf of those of your own home, those who know you best, I present this loving cup. (Applause.)

The gift was placed upon a table.

President Huttig: Mr. Hoxton, this is indeed a surprise. It almost gives me stage fright. All I can say is that I appreciate the gift of my home friends very dearly. I take pride in my Presidency of the Third National Bank of St. Louis,

but my greatest asset I hold to be the friendship the manifestation of which this beautiful gift is, and another expression of which has come from this Convention in electing me to the Presidency of this Association.

Calls were made for Vice-President Elect Reynolds.

President Huttig: I present the Vice-President Elect, Mr. Arthur Reynolds.

Vice-President Reynolds: While I deeply appreciate the compliment paid me in selecting me as Vice-President for the ensuing year, I esteem very much more the continued confidence of my fellow bankers. In the various undertakings of this Association with which I have been connected I have endeavored to give the very best that was in me, and I pledge you that for the work that lies before me during my term of office I will continue along the same line.

CHEST OF SILVER FOR RETIRING PRESIDENT LIVINGSTONE.

Mr. F. O. Watts, of Nashville, Tenn.: It is a custom in the American Bankers' Association upon the retirement of one of its officers to present to him a fitting testimonial of the love and confidence that he has inspired in the members. It has been my pleasure during a period of three years to have stood shoulder to shoulder with the man who has now laid down the gavel, and therefore I am in a position to say of him that, whether as Chairman of the Executive Council, Vice-President, and President, he has ever measured up to the utmost demands made upon the incumbency of his high office. (Applause.) Commodore Livingstone, on behalf of the American Bankers' Association I present you this chest of silver. (Applause.)

A large chest of silver was then displayed upon the platform.

Retiring President Livingstone: I do not think I have hay fever, but I have something which pretty nearly brings the tears. Among the anxieties of life which come to all of us it is the little bright spots that make everything happy. I have been honored very much more than I deserve. When I was elected President of this Association, to say that I appreciated it is beyond the bounds of my vocabulary to express. Now I have had the honor of helping to entertain you in my home city, the city where I have lived from boyhood, and I hope, Providence permitting, that I will have an opportunity to meet with you many times in the future. I remember hearing the lamented McKinley say that the sweetest flowers that bloom were those that grew over the garden wall of politics. While there are no politics, in that sense, in the American Bankers' Association, yet in this busy competitive world of ours it would be astonishing if sometimes there were not more or less friction; but I am frank to say, looking the twilight hour in the face and not unmindful of that fact, that I have been associated with a great many men in my life engaged in different vocations I have never yet found a body of men that had so much of the milk of human kindness in their make-up as the bankers.

Gentlemen, again and again I thank you from the depths of my heart, and assure you that I shall ever cherish with fondest recollection this beautiful gift. (Applause.)

George M. Reynolds, of Chicago, Ill.: Mr. Livingstone, believing as I do that there comes a time in the life of every man when he lives more in the memories of the past than in anticipations for the future, and at the same time hoping that it may be many years before you will reach that stage, still, in order that there may be something come to you later on when you have completed this magnificent new building that you are erecting for your bank's home, and when you are occupying your own private office in that building so that you may hang it upon the wall, on behalf of the American Bankers' Association I present to you this emblem of your office as President of this Association. I trust that in the future as you sit in meditation in your home or in your office that your mind will recur with pleasure to the memory of the days when you were so actively connected with this Association. (Presenting emblem.)

Mr. Livingstone: Mr. Reynolds and Gentlemen: Some poet has said, "When time, which steals our years away, shall steal our pleasures too, the memory of the past remains, and half our joys renews." I assure you that that pleasure will be ever mine.

Secretary Farnsworth: Before the Convention adjourns I desire to say that I have received a letter of greeting from the National Association of Real Estate Exchanges. (Reading letter.)

I desire to give notice that immediately upon the close of this Convention the Executive Council will meet on the Convention Hall floor of the Hotel Pontchartrain.

President Huttig: If there is no further business to come before the Convention, a motion to adjourn would be in order.

Mr. F. W. Hyde, of Jamestown, N. Y.: I move that the Convention do now adjourn without date.

Mr. R. W. Cutler, of Hartford, Conn.: I second the motion.

President Huttig: All in favor of adjourning will manifest it by saying "aye"; opposed, "no." The motion is carried, and I declare the Convention adjourned without date.

MEETING OF THE EXECUTIVE COUNCIL.

The newly elected Executive Council of the American Bankers' Association met late Friday afternoon, after the adjournment of the Convention, and elected the following officers for the ensuing year:

Chairman:—Thomas J. Davis, Cincinnati, Ohio.

General Secretary—Fred E. Farnsworth, 5 Nassau Street, New York. (Unanimously re-elected.)

Treasurer—J. Fletcher Farrell, Vice-President Dearborn National Bank, Chicago, Ill. (Unanimously re-elected.)

Assistant Secretary—William G. Fitzwilson, 5 Nassau Street, New York. (Unanimously re-elected.)

General Counsel—Thomas B. Paton, 5 Nassau Street, New York. (Unanimously re-elected.)

The Council resolved to hold its spring meeting at Hot Springs, Va.

After making appropriations for the various Sections and to carry on the general work of the Association, the Council adjourned.

TRUST COMPANY SECTION

AMERICAN BANKERS' ASSOCIATION

Seventeenth Annual Meeting, Held at Detroit, Mich., Sept. 11 and 12, 1912

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The Money Trust Inquiry.

BY GEORGE M. REYNOLDS, President of the Continental and Commercial National Bank, of Chicago.

Mr. President, Ladies and Gentlemen:

Every great crisis wherein business has been seriously affected and which has had a tendency to accentuate any weakness in our system of business has brought out some object lesson for future guidance.

The lesson of the panic of 1907 was that of the value of co-operation.

The abuses incident to the unparalleled prosperity in this country for five years prior to that period caused an over-expansion in the use of credit, culminating in the latter part of October of that year in a money panic, which for a time paralyzed our commerce and threatened the destruction of our institutions; public confidence was disturbed and, the solvency of the banks being doubted, depositors were anxious to withdraw their balances for the purpose of hoarding money.

The amount of lawful money carried by the banks, while sufficient to meet all requirements under normal conditions, now that a state of chaos existed, was found to be inadequate to meet the demands made upon them, and since our Banking and Currency law contained no provision by which the banks could protect their outstanding credits, to say nothing of protecting the credits of their customers, the banks located in the principal cities throughout the country, as the only means of self-defense left to them, simultaneously went upon a clearing house certificate basis.

While this action seemed to some to be very drastic, it, in fact, proved to be the safeguard of the situation, since through it banks were enabled to meet the urgent requests for credit made upon them and renew credits already extended to concerns, many of which might otherwise have been forced into bankruptcy. At the same time, self-preservation, admittedly the first law of nature, forced the banks in the large reserve cities to stifle the spirit of competition existing between them and work in harmony for the common good—self-protection compelling them to apply the spirit of co-operation to their business in a practical way by utilizing, as far as was practicable, their combined skill and strength to defend the integrity of any bank or concern known to be solvent which required assistance.

Regardless of this commendable spirit and the aid rendered, much criticism has been heaped upon bankers by

certain classes. These critics are dissatisfied because we do not in times of crises furnish to the public credit and money in amounts sufficient to meet their needs, and, on the other hand, in normal times they criticise us because, as they say, the control of money and credit is not sufficiently diversified.

I am surprised that any student of the subject should pretend to believe that the banks in times of stress will fully withhold from the public the use of such credit and money as it is possible for them under existing conditions and in accordance with the law to supply. Self-interest alone would not permit of their doing this, for no profit can accrue to a bank where an excess of reserve accumulates. Furthermore, the law of competition would not permit it, for in these days when it is the universal practice for banks to extend credit in proportion to the balance which a customer carries with the bank subject to his check, the banker knows full well that if he fails to meet the legitimate requirements of such customer it will result in the loss of that account, which, under the law of competition, will go to his neighbor, who *will* extend credit against such balances. Therefore, self-interest prompts the banker to do his utmost to serve the public under these conditions.

In thirty-two years of experience in banking, I have yet to learn of the first instance where bankers carrying the reserves of a community have willfully, and for the purpose of punishing individuals or industries in that community, declined to extend credit against their reserves when there has been a disturbed public confidence and an unusually large demand for both money and credit; and, so far as I know, the only bankers who have failed in emergencies of this kind have been those who have themselves been filled with fear and who have been so panic stricken that they have placed their own safety above the public welfare. I am glad to say, however, that such bankers are so few as compared to the whole number that I do not believe there is just ground for the belief that the bankers of this country have failed to discharge this trust faithfully and well.

Whatever of criticism can properly attach to the banks because of their failure to meet the wishes of the public in times of stress is due to the system and not to the inclination of the bankers, whose actions are circum-

scribed by a law compelling them to maintain certain reserves, no matter what the needs of a community for credit or money may be.

As I stated in the beginning, the object lesson of the panic of 1907 was that of the value of co-operation, and bankers, striving, as do also those engaged in other lines of business, to prevent losses where possible, and quick to realize the real value of that lesson, have since that time applied this principle of co-operation with great success to the affairs of such of their customers as through unforeseen circumstances have experienced difficulty in maintaining their credit when it has been assailed.

Instead of continuing to follow the old-time method of throwing such creditors into bankruptcy and getting a mere pittance on their claims—where conditions are such that they are justified in so doing, the bank and other creditors now form creditors' committees to manage the affairs of the disabled concerns, thereby very often through such harmony of action restoring the affairs of those concerns to a normal basis, thus averting their failure and consequent loss to the banks and other creditors.

The application of this principle of co-operation by the banks as a means of protection, both to themselves and their customers, thus conserving the assets and oftentimes the integrity of both, by preventing failures as well as contentions between the creditors of concerns whose solvency is questioned, has caused many to misconstrue the real motives involved and apply the term "Trust" to this harmony of action which is always prompted, so far as I know and believe, by the highest motives born of a sense of fairness and justice and reflecting a desire on the part of the bankers to conserve and upbuild rather than to tear down and destroy.

The fact that 95 per cent. of the business of this country is done upon credit, and that the use of actual money in transactions has been reduced to the minimum, makes it very easy for people who do not properly discriminate between credit and money itself to become confused in the application of the terms; and especially is this likely to be the case with those who have given so little study to the subject that they look upon a bank as being an institution dealing in money, whereas, in reality a bank deals in credit, and the money it carries in its vaults is only an incident to its business, being carried only in an amount sufficient under the law of averages to make it possible for the bank to pay its obligations upon demand under normal conditions.

This confusing of credit with money, as it is related to business, has caused much misapprehension on this subject and resulted in more or less honest criticism by those who do not realize that the "Money Power" as it is usually applied relates to the power or control of the credit which may be extended against either money or other tangible liquid assets easily or quickly convertible into money; and in view of the temper of the people toward large aggregations of capital, it is not surprising that there has also arisen much confusion and misconception through the use of the words "Money Power" and "Money Trust." Oftentimes, where quotations of alleged statements are made, the word "Trust" is, either through confusion or arbitrarily, substituted for the word "Power," making it appear as "Money Trust," thereby changing the meaning of the statement as it was originally made.

I disclaim any knowledge, to say nothing of any connection with any "Money Trust" of any character, and I feel I would be derelict in my duty if I were not to say to you that I do not believe any such trust exists.

I feel this class of citizen has an erroneous opinion concerning banks, their business, their earnings and their relations to the public. In the first place, any condition which adversely affects the public must react detrimentally on the volume of the business done by the banks, thereby reducing their earnings.

Reverting to the criticisms of the banks during 1907

for their failure to pay money against the balances shown upon their books, I sometimes wonder if the public realizes that those balances were to the extent of 95 per cent. made up of items of credit and not money. I wonder, too, if the depositing public takes into consideration the fact that when the bank cannot pay its deposits on demand, it is only because it cannot realize on its credits extended to the borrowing public. Two men may be neighbors, one is a depositor of \$1,000 in the bank, the other a borrower of a thousand dollars from it. If the borrower will pay the note when demand is made upon him to do so, the bank will also be in a position to pay the depositor the amount of his balance. Therefore, in times of panic the reason that banks cannot pay the *Depositing public* their obligations on demand is because the *Borrowing public* cannot pay their obligations to them. Therefore, in criticising a condition of this kind the public should have their criticism attach either to the law which fails to apply the remedy or to the borrowers of banks who are unable to pay their obligations in crises.

If a little more of the spirit of fairness were to be injected into a consideration and discussion of this subject, the masses of the people would be less inclined to hold prejudice against or criticise banks, for, after all, the banks are only the "warehouses" of the credits of the community and the credits they control are subject to the ebb and flow incident to the fluctuations in business.

In one breath a man will criticise the banks for not extending credit to the public in times of stress; in another he will criticise the bankers for violating the National Banking law by loaning money when to do so impairs their reserves, thereby showing an attitude of inconsistency which I am unable to reconcile.

I have heard more or less criticism of banks in this country upon the theory that the "Money Power" is in the hands of too few people.

Inasmuch as whatever control individuals may now have of our banking power comes to them under and by virtue of the National Banking law, as the result of a concentration of reserves in the central-reserve cities and through legitimate practices in the ordinary trend of business, and not, mark you, through any violation or evasion of the law on their part, would it not be far more becoming to criticise the law which forces this condition rather than to criticise the men who under the law have the condition forced upon them?

As one who has been accused of admitting that the "Money Power" under existing conditions, or the power to extend credit in times of crises, rests in the hands of a few bankers in this country whose institutions carry the surplus banking reserves, I have for three years past been making a plea to the people of this country to assist in securing legislation providing for a system of banking and currency, which, it is believed, will very materially decentralize the money power by placing it within the control of several thousand banks, rather than to have it literally controlled by the bankers in the central-reserve cities, as at present.

So far as I know and believe, the majority of the bankers in the central-reserve cities recognize the enormity of the responsibility which rests upon them under the existing law and would welcome any legislation that is just and fair which would both minimize this responsibility and free them from the unjust accusations that are constantly being made against them.

The banks of the country are the servants and not the masters of the people, and it is always to their advantage to serve the people provided conditions are such that they can do so without an infraction of the banking law.

We find a class of people referring to the financial institutions of this country as members of a "Money Trust" and "Lawbreakers," but, are not those depositors and intelligent business men who are in close relationship with the bankers, through daily business and personal

contact and who have an insight into their methods of conducting the business affairs of their institutions, qualified to intelligently judge as to whether or not bankers are the criminals they are portrayed by some to be? Can you reconcile these accusations with the fact that the business of such institutions is constantly increasing, and very largely, too, through the good offices of their customers and depositors, who, recognizing the value of the service rendered and the treatment accorded them, try to induce their friends to transfer their accounts to the bank with which they do business?

In view of the good treatment extended by banks to that army of active, intelligent business men and citizens of this country who have been successful, I cannot but feel this acrimonious criticism of banks and their treatment of the public emanates from a decided minority of our people. Indeed, to those who have been most active in their efforts to encourage the enactment of currency legislation, one of the chief discouragements encountered has sprung from the fact that business men and individuals have been treated so considerately and well by the banks that they have not had a proper realization of the great necessity for currency legislation, and, therefore, have been more or less indifferently inclined toward it.

If the banks had failed to serve the public so satisfactorily or they had mistreated or attempted to take unfair advantage of their customers, do you think this great army of people would have been slow to make themselves heard; and in this event do you not think there would have been the greatest interest in and support by it of any movement which was calculated to bring about currency reform?

While I have heard much criticism of the policy of the management of banks in New York City during the panic days of 1907, which I know to be unfair and unjust, I regret to say that, on the other hand, I have seen but few expressions of commendation of the many examples of the self-sacrificing, noble and patriotic efforts made by many bankers of that city to allay the fear born of a disturbed public confidence and with a view of bringing order out of chaos, thus protecting our institutions at home and our integrity abroad—so aptly illustrating how quickly criticism will prevail and how tardy we often are in according justice to those who, by a close adherence to their fidelity to the welfare of the people, often sink personality and self-interest for the common good.

If the impending investigation can be divested of everything except an honest desire to find the cause of any unsatisfactory existing conditions, I believe it will result in good, for I feel confident it will be found that most of those conditions which have been the subject of criticism have been the outgrowth of the inadequacy of our system of banking and currency, and that bankers, in general, instead of entering into collusion with each other to control the money power for improper uses, are in fact only accepting such responsibilities as come to them naturally and by virtue of and under the law, and, furthermore, that they are striving to the best of their ability to render to the public a proper accounting of their stewardship.

I should like to say a few words upon what I regard as the duty of the banker, as well as the duty of the capital he controls, to the public, but since my views are so well known to you and the time at my disposal so brief, suffice it to say that we must, if we are free from cause for criticism, always have in mind the necessity for the practice of high ideals and the establishment of high standards in business, doing what we can to make the capital under our control do the greatest possible good in the upbuilding of our industrial and commercial enterprises; and in the extending of credit we should not ask: "Is the applicant a friend or an enemy," but rather we should determine as to whether or not the credit is wanted for legitimate purposes, and as to whether or not it will be properly secured and repaid at maturity.

I should like to refer to the money planks in the platforms of the three great political parties, but time and the fear of overtaxing your patience prevents. If, however, any of you can see anything in those planks to encourage bankers in an honest effort to help provide a proper system of banking and currency—a system which would correct the evils of the system under which we are forced to work—I should be glad to have you point it out.

The failure on the part of those prominent in shaping the policies of the great political parties, to inspire in the members of those parties a patriotic desire to consider this and other great national questions honestly and fairly, on their merits, without respect as to whether or not it will make or lose votes for their party candidates, is causing a great deal of industrial and social unrest. If the time and thought given by some to the promoting of class prejudice and hatred could be devoted by them to an effort to promote qualities of mind and heart that would reflect fair treatment, justice and equity, much of the contention which is now so prevalent would be dissipated.

Being more or less optimistic by nature and of a philosophical bent, and trying at all times to believe that what is, may ultimately result for the best, I see in these contentions and differences of opinion upon this and other questions, this lesson, viz.: the necessity for a careful study of all of our national questions with open, unprejudiced minds, in the hope that we may become factors in the creation of a public sentiment which will tend to insure their settlement along wise and just lines and result in the greatest good to the greatest number.

As bankers who have studied the philosophy of our business and think we know something of the laws of economics as applied to our organization of credit, we are impatient because others who are not students of this subject and whose activities and studies have been along other lines do not support our theories and recommendations with more readiness and enthusiasm, but I sometimes wonder if we, on the other hand, are any better equipped to consider and help determine other questions, such as the tariff, for instance, than our neighbors are to help solve the questions involved requiring the enactment of currency legislation. I very much doubt it, and I want to say that to my mind all these national problems that are becoming more frequent in number and more complex in character, if settled fairly, must be settled by the force of a public opinion that reflects a knowledge on the part of the masses of the intricacies of our Governmental policies as they relate to economics as applied in our business.

Believing, as I do, that open-minded, honest agitation of any question in which the public is interested, prompted by a laudable purpose and kept free from animus and prejudice, will tend to secure a proper solution of that question, I desire to disavow any antagonism for or opposition to the impending investigation of the so-called "Money Trust" by the House Banking and Currency Committee; on the contrary, I shall be glad to do what I can to co-operate with the members of that committee, so long as their activities are exerted along the lines of an honest endeavor calculated to promote better methods and higher ideals in business.

Inasmuch as under good business conditions all lines of industry are active and prosperous and labor is fully employed, and since the ramifications of business affect every class of our people, public agitation of any question which can seriously affect business and thereby minimize the measure of the prosperity of the masses should be prompted only by the highest motives, and public discussion of that subject should be along honest, honorable, conservative lines.

Good business conditions insuring the full employment of labor means the free use of capital and credit. The greater portion of the credit thus employed has its inception in and is backed by the various banks of the country,

and if those credits are stable our people must have confidence in our financial institutions which undertake to protect them.

Credit even when based upon a proper premise, is extremely sensitive, and anything which disturbs public confidence at once impairs the quantity as well as the usefulness of credit which so largely enters into our general prosperity.

The business of the banks and the prosperity of the masses are so intimately related through the use of credit that you cannot harm one without adversely affecting the other.

Therefore, everyone, no matter how great or small his business may be, should be interested in encouraging only such a plan of procedure in the investigation as will be required to determine the actual facts, keeping it free from prejudice or political bias, for any plan of procedure which would result in disturbing public confidence would affect our institution of credit and thereby carry its blighting effects into every home.

Every banker in his relation to the public welfare should be in sympathy and co-operate with every movement which is honestly calculated to improve public conditions, but, knowing as we do that our system of banking and currency makes no provisions for the protection of credit when public confidence is disturbed or impaired, we, as bankers, should not hesitate to direct the attention of the public to possible dangers to business that may be encountered if this investigation should at any time be shorn of an honesty of purpose born of a desire for improved conditions. In this event bankers should not be found lacking in the courage to discourage, or even resist, any movement created for the purpose of capitalizing any prejudice for the benefit of any political party or for the advantage of anyone.

I do not believe the bankers of the country will enter

the slightest objection to the making of a comprehensive investigation of the banks by those charged by the House with that responsibility, so long as such investigation does not require them to disclose to the public the confidential relations existing between themselves and their customers, the divulgence of which might greatly embarrass the customer and thereby do serious injury to the banks. In my opinion the banks should, and I believe they would to the limit of their ability to do so, decline to make this information public.

If a banker can be forced to disclose a confidential relationship between his bank and its customer, it would require but a short step further to capitalize for the gratification of prejudice the confidences between the attorney and his client, as well as the secrets of the confessional.

I cannot believe a condition exists which can begin to justify such drastic treatment; no more do I believe Congress will take any action which would strike so directly at the personal rights and liberties of the people.

Since the laws enacted must be of a character to meet the approval of public opinion, and since bankers, as well as those engaged in other lines of business, must be governed by these laws, surely we, as bankers, who are so keenly interested in the discussion of this subject so vitally important to our welfare, cannot reasonably be criticised for honestly expressing our opinion upon it.

I do not mean to question the attitude toward this investigation of any of those who have any connection with the work, for, until I am shown to the contrary by their work, I shall be pleased to believe that their efforts will be prompted only by the highest motives born of an honest desire to improve public conditions and free from any desire on their part to needlessly annoy, much less harm our financial institutions, which are the very bulwarks of our national strength.

Achievements of the Trust Company Section During the Past Fifteen Years.

BY BRECKINRIDGE JONES, President, Mississippi Valley Trust Company, St. Louis.

Fifteen years ago the title "trust company" was familiar to the American people, for it is said that some 500 institutions used it as a part of their name. As to what such a title meant, however, the people in general had a very vague idea. The words "trust company" had not become distinctive; they had been coupled with other words, as "Loan and Trust Company," "Life Insurance and Trust Company," etc. Some companies were in fact trust companies, but their names did not clearly indicate it to the public, e. g., Pennsylvania Company for Insuring Lives & Granting Annuities. A trust company was to the masses something unknown and mysterious, and, because not defined by the law, had been seized upon by certain of the unscrupulous to blazon abroad many promises of a get-rich-quick variety. In fact, according to the report of the National Monetary Commission, in 1894 there were only 228 companies that were real trust companies—all the rest were masqueraders. Some people argued that a "trust company" is a company with trust in it, and that trust, while a good word in itself, had grown to mean that the company using it must be trusted for everything without giving anything in return; others thought that it was synonymous with pool, combination in restraint of trade, or other term of denunciation used by the radical reformer and the political demagogue. By many it was considered the relation, if not an actual tentacle, of that ominous thing called an octopus. Even the best

organized and most conservative trust company was marked with an interrogation point. Six years before, after great search, I had not been able to find in print fifty pages of general discussion of information as to trust companies.

To the younger men this may seem an overstatement of the facts, but there are those here to-day who will remember a paper presented at the first meeting of this Section, just fifteen years ago, by Mr. Ralph Stone, then Trust Officer of the Michigan Trust Company, of Grand Rapids, and now one of the most competent financial leaders of this most progressive city. He said:

"During the collection of the material for the paper, an incident occurred which may be worth relating. In response to a request addressed to the Secretary of State for each State, for a certified copy of the laws relating to trust companies, about half a dozen secretaries transmitted copies of the laws regulating, restricting, or prohibiting pools, trusts, unlawful combination, and conspiracies in restraint of trade. The copies of these laws were returned with an explanation that it was the statutes relating to trust companies which act as trustee, executor, etc., which we desired. In one case, the Attorney-General, to whom the letter was referred, replied that he regretted misreading the first letter on the subject, but that after a thorough search, he was convinced that there were no statutes of his State relating to trust com-

panies, and that, as far as he could learn, there were no trust companies doing business in his State, except the Standard Oil Company."

If the men who had risen to the positions of Secretary of State and Attorney-General could be so befogged, what could be expected from the public?

Many—I believe it might be said a majority—of the banks in the large cities where trust companies were generally operating, did not fully understand the functions of a trust company and looked on that institution with suspicion and as an unworthy rival. How could they do otherwise, when the name was constantly surrounded by the smoke of ignorance? There were educated bankers, however, who realized that the trust company was not so much a rival of the banks as it was the banks' outgrowth or corollary—a co-ordinate branch of finance. They remembered that the reason the first trust company was formed in New York in 1822 was because banks could not attend to certain business outside of the City of New York; that if the banks could have done so, what is now the Farmers Loan & Trust Company, of New York City, might never have been started. It was realized by the financial student that our development to a certain point could be easily handled by the bank, but that, with the marvelous development of our country, the density of population, and the aggregations of wealth, came a demand for a more elastic financial institution in order efficiently to meet the requirements of a more complex community. The trust company, a conservator of capital, to work hand in hand with the bank, the creator of capital, was the invention of American genius, and this despite the fact that the Roman, Argentarius, as an individual, exercised some of the functions of a trust company.

This antagonism on the part of the banks was reflected in the legislatures of several States, evidenced at every session by bills to restrict the powers of trust companies in States where those powers were broad and by faction opposition to bills giving ample powers in States where additional legislation was needed. Many of these conflicts were acrimonious—all were serious.

Intelligent men, both bankers and trust company officials, appreciated the situation, and what might have grown into a wall of flame—a permanent antagonism between the banks and trust companies—was smothered out it was a tiny blaze. It became apparent that, both for the purpose of protection and in order to educate the public, companies doing legitimate trust company business should have a national organization. Many advocated organizing an association composed exclusively of trust companies, but as there was already in existence the American Bankers' Association, of which a number of trust companies were already members, others thought it wise to clasp hands and work with it. One year before this Section was formed an application was made to the Executive Council of the parent body to recommend changing the by-laws so as to provide for a Trust Company Section. The argument was made that there was no precedent in the Association for such action, and that if such a Section were formed it would result in unifying the strength of the trust companies and produce a factional strife. The application was not granted.

So, the year following, after some correspondence with prominent trust company men, and without any commitment on the part of the parent body, there was delegated to me the privilege of sending out the call for the meeting of trust companies, to be held in St. Louis at the same time as the National Convention of the American Bankers' Association. The purpose of this meeting was to discuss the organization of a Trust Company Section of the American Bankers' Association, and the call was signed by fifteen trust companies, representing eight separate States, as follows:

Boston—Old Colony Trust Co., by T. Jefferson Coolidge, Jr., President.

New York—Continental Trust Co. of the City of New York, by Otto T. Bannard, President; United States Mortgage & Trust Co., by G. W. Young, President.

Brooklyn—Franklin Trust Co., by Geo. H. Southard, President.

Chicago—The Northern Trust Co. Bank, by Arthur Heurtley, Secretary; Security Title & Trust Co., by Peter Dudley, Trust Officer; Title Guarantee & Trust Co., by Frank H. Sellers, Trust Officer.

Indianapolis—The Union Trust Co., by John H. Holli-day, President.

St. Louis—Mississippi Valley Trust Co., by Breckinridge Jones, Second Vice-President; St. Louis Trust Co., by John D. Filley, Secretary; Union Trust Co., of St. Louis, by C. Tompkins, Treasurer; Lincoln Trust Co., by A. A. B. Woerheide, Secretary.

Louisville—Columbia Finance & Trust Co., by Atilla Cox, President; Fidelity Trust & Safety Vault Co., by John Stites, Vice-President.

Denver—The International Trust Co., by F. B. Gibson, Secretary.

When this meeting was called to order on September 22, 1896, there were present seventeen trust company officials from ten different States. After a thorough discussion of problems which, due to the influence of this Section, are now matters of history, through the aid of the talented Joseph C. Hendrix, who was Chairman of the Executive Council, the Trust Company Section was formed.

Just fifteen years ago in this City of Detroit, in the Turkish Room of the Hotel Cadillac, the first meeting of trust companies, as a Section of the American Bankers' Association, was held. Then it was that the mist of ignorance and uncertainty concerning trust companies began to disappear.

It may be of interest here to record that, in appreciation of Mr. Hendrix's acting as doctor at the birthing, when a memorable struggle came up at that meeting here in Detroit between George H. Russel, of this city, and Jos. Hendrix, as representing the progressive element as against the "Old Guard," as they plumed themselves, led by Mr. Hahn and Mr. Tracy, it was the solid support of this Section that turned the tide, made Russel President that year, and led to Hendrix being President the following year.

At that first meeting, I was called on to present the needs of the trust companies of the United States, and from the records of that meeting I find that it was suggested:

First. That the Section should see that no company used the words "trust company" unless it did a legitimate trust company business.

Second. That the Section should use its best efforts to bring about a greater uniformity in laws relating to trust companies. (This meant that in many States we should see that some kind of a trust company statute be enacted.)

Third. That the Section have some publication make a compilation of trust company laws of all the States.

Fourth. That the Section try to induce some of the banking journals to publish the papers read at the meetings, and to devote some space to questions of special interest to trust companies. In short, the effort was to lay the foundation for a recognized literature, and standardize the business, and promote the acquaintance and social intercourse among trust company men.

To the trust company man of to-day, this very mention of what the Section thought it should accomplish, shows what the Section has really accomplished in fifteen years. From time to time at the meetings of the Section, papers have been read, published in the records, and in many instances issued in pamphlet form and widely distributed. These papers have covered the general field of trust company activity, and furnish an invaluable library of trust company literature, accessible

alike to those in and out of the business, and will endure as an ever fresh Pierian Spring to those thirsty for trust company information. Students are continuously scanning the pages of these records, and several enterprising writers have in effect digested parts of them, and worked the results, along with other matter, into excellent books relating exclusively to trust companies. The cry of "no literature" has been met.

When one examines the various banking journals of the present, it seems strange that there was ever a time when no space was devoted to trust company news. The present day condition also shows the very important position the trust company has come to take in the financial world, for besides being given space in nearly every banking journal, it also has a journal, "The Trust Companies Magazine," published monthly, and devoted exclusively to trust company matters. When a compilation of trust company laws was first suggested, there had not developed sufficient esprit de corps for us to do this work ourselves. None of us I think realized how capable and strong an association had been brought into being. As it is, the Section itself has published a compilation of trust company laws, and has gone a step further and compiled a book of trust company forms. In fact, the third and fourth needs of the Section, as presented fifteen years ago, have fully been met to the present time, and of course will be taken care of in the light of changes demanded from time to time.

How great progress has been made under the supervision of this Section as to the use of the words "trust company," and the enactment of laws governing trust companies in the various States, is established by the fact that at the time of the first meeting here in Detroit there were thirty States which had no laws specifically governing trust companies. Such institutions as used the name had come into existence under special charters, or under general banking laws; and if they were created under general banking laws, it meant as a rule that they were only banks of discount and deposit, could not exercise trust company functions, and were trust companies in name only. To-day the situation is greatly changed. According to the Digest of the State Banking Statutes, compiled by Samuel A. Welldon for the National Monetary Commission, there are only ten States that now have no separate laws governing trust companies. They are: Arizona, Connecticut, Delaware, Florida, Nebraska, Nevada, North Carolina, Oregon, South Carolina and Tennessee, and there are trust companies in each of them. In six other States, namely, Idaho, Iowa, Mississippi, Rhode Island, Utah and West Virginia, the trust company laws are all too brief. Louisiana has trust company legislation, but it seems to be so commingled with the laws concerning banks, that it is difficult to know exactly what is meant. However, counting both the States that have no separate legislation and those with laws that are too brief, we have only a total of seventeen, which means that in the fifteen years of our existence thirteen States have been influenced to enact trust company laws.

In this connection, it is also interesting to note that to-day in only seven States are no reports required from such trust companies as may be organized. They are: Alabama, Arizona, Arkansas, Florida, Louisiana, Nebraska and Tennessee. And in only nine States are no examinations by State officials required, namely, Alabama, Arkansas, Florida, Kentucky, Louisiana, Mississippi, Nebraska, Tennessee and Virginia.

In many jurisdictions, but by no means all, to-day the unwarranted use of the words "trust company" is punished under the criminal laws, and in this way the public is protected.

The functions of a bank as a corporation have been known to the world since the middle ages, but the functions of a trust company as a corporation have developed in a popular way in comparatively recent years.

To this Section has fallen the duty of standardizing the trust company. The development has been so rapid that there has been a great deal of work to do, and there is still much to do, not only in finishing the cure of old ills, but in meeting those incident to new conditions.

The tendency of all the work of the Section is towards establishing and maintaining a standard. One of its latest efforts towards that end is a draft of what is to be proposed as a model trust company law, drawn under the direction of our Protective Committee. It is my understanding that it is the purpose of this draft to furnish a standard to which a State making trust company laws can refer. In its effect it will be educational, and will define what this Section means by the words "trust company." For this reason, in my judgment, too great attention cannot be given to its consideration and care must be exercised that it does not impair the elasticity of the trust company to suitably adjust itself to the varying conditions in the different sections of the country. Especially should it guard against any provision that will tend to make the trust company disclose its individual trusts or fix the trusts it will accept. Whenever the trust company becomes crystallized, its ability to respond to new conditions will be impaired. Care should be taken to put on committees for such work only those experienced in the practical everyday work of a trust company.

Before the Section was organized there was but slight personal acquaintance among trust company men, and hence no opportunity for the pleasures of social intercourse or the advantages of unity of action. What change in that regard has taken place under the influence of the Section is evidenced by the large attendance at our meetings. In 1911 it was thought wise to have a national gathering of trust companies at a banquet in New York City, and in response to the call over 1,000 men were present. This was such an enjoyable gathering that it was repeated this year, and again there were over 1,000 at the banquet table. I but voice the sentiment of all who attend these meetings, when I say that these gatherings are full of sweet pleasures and cherished memories. For myself, I can say that in all my business life no associations have given me greater honor or been more fruitful of charming companionships.

At that first meeting, fifteen years ago, of the 228 real trust companies 114 became members of this Section. The growth of the section is shown by the following table:

MEMBERSHIP BY YEARS, SINCE FORMATION OF THE SECTION IN 1896 WITH 17 MEMBERS.

1897— 114; 1898— 150; 1899— 190; 1900— 253;
1901— 348; 1902— 414; 1903— 501; 1904— 566;
1905— 638; 1906— 718; 1907— 846; 1908— 931;
1909— 981; 1910—1007; 1911—1137; 1912—1206.

According to the last reports of the Comptroller of the Currency of the United States, there were 1,251 trust companies. From these figures it would seem that nearly all the trust companies of the United States are members of this Section. However, according to the annual volume entitled "Trust Companies of the United States," published by the United States Mortgage & Trust Company, of New York, on June 30, 1911, there were 1,616 companies claimed as trust companies in this country; but even taking these figures, it shows that the growth of the Section has kept full pace with the growth of the country. This marked difference in number, as given by two such recognized authorities, shows that there is still great laxity in the use of the name.

The following table giving the figures compiled for the National Monetary Commission from 1879, the first year for which it seems to have been able to get anything definite, to and including 1909, and giving the figures taken from the last report of the Comptroller of the Currency of the United States, shows the comparative development of classes of financial institutions:

	1879	1884	1889	1894	1899	1904	1909	1911
National Banks...	2048	2625	3239	3770	3583	5331	6893	7331
State Banks....	813	1017	2097	3705	4253	6984	11292	12864
Trust Companies.	37	44	63	228	276	924	1079	1251

From this it is to be noted that thirty-three years ago, while there were 2,048 national banks and 813 State banks, there were in this country, or in fact in the world, only thirty-seven trust companies. In 1894, seventeen years ago, there were 3,770 national banks and 3,705 State banks, and only 228 trust companies. From that time to the end of 1911, during the period of the existence of this Section, there has been an increase in national banks of 3,561, or 94 per cent.; in State banks of 9,159, or 247 per cent., and in trust companies an increase of 1,023, or 448 per cent. The ratio of increase in trust companies has been far greater than in either of the other two kinds of financial institutions, and this while not only the laws governing them, but the ideas concerning them, have been in uncrystallized form. Whether this increase has been because of or in spite of this want of crystallization, furnishes an interesting inquiry.

It will be remembered that in the first draft of the plan for proposed monetary legislation, the Monetary Commission omitted any provision for trust companies, but, due to the influence of this Section, and the prompt protest from its members, in the later drafts of the plan and the bill reported by the commission to Congress, trust companies were given their proper place. In fact, it was due to the initiative of trust company men that State banks also received their requisite amount of attention in the bill.

That the precedent of forming this Section was not bad for the parent association, is shown by the subsequent birth of the Savings Bank Section and the Clearing House Section. It is believed by many that the formation of these sections has been one of the prime causes of the unexampled growth of the American Bankers' Association.

The fear expressed originally in the Executive Council that the formation of this Section would lead to factional differences has proved to be unfounded. No longer do you find the banks at the legislatures fighting trust companies. Each now recognizes the right of the other to exist. Under the by-laws of the parent association, this Section is entitled to adequate representation on the Executive Council, and the opportunity for factional differences is thereby avoided. From time to time there will be those contests that are the fruit of competition—always active, but generally wholesome. Sometimes this competition will be vicious and intemperate, but until the millennium such things will be, and in banking as in other lines must be adjusted from time to time as best they may be.

So it is seen what wonderful progress has been made by this Section towards attaining the objects set forth at its first meeting, and the Section should go ahead in its efforts until the very words "trust company," wherever seen, will be synonymous with trustworthiness.

As evidence of the harmony that exists between banks and trust companies to-day, we have the fact that in those States where trust companies receive deposits and conduct business of such a nature that membership in the clearing house associations is of value, they are admitted to the associations in nearly all instances, on the same terms as banks, the general rule being that they are not required to carry as large a reserve, especially against their savings deposits. In the preparation of this paper, I wrote letters to the managers of clearing house associations in 63 of the large cities of the country. In this letter I asked for the name of the first trust company that became a member of the respective clearing houses and the date of its admission; also for the names of trust companies that were members of the clearing houses in 1912, with the dates of admission; and I also inquired if there were any differences in the regulations

covering the admission of trust companies and banks. I received fifty-two replies.

Prior to 1890 there seems to have been no trust company a member of any clearing house association, except in Chicago. In that city the Merchants Savings, Loan & Trust Company became a member in 1865, and the Union Trust Company in 1872. In the majority of States, membership of trust companies in the clearing house associations is more recent than 1900. No difference in the requirements for membership between trust companies and banks was reported, except in St. Louis, New York and Philadelphia, and the difference in these cities only relate to the reserve fund required. The following clearing house associations report no trust companies as members:

Atlanta, Ga.	Duluth, Minn.
Augusta, Ga.	Des Moines, Ia.
Boston, Mass.	Houston, Tex.
Baltimore, Md.	Los Angeles, Calif.
Bloomington, Ill.	Milwaukee, Wis.
Cleveland, O.	Minneapolis, Minn.
Charleston, S. C.	Pittsburgh, Pa.
Denver, Colo.	St. Paul, Minn.
Detroit, Mich.	Washington, D. C.

In many cases the replies stated that, due to the law, or the business transacted, such membership would not be profitable for trust companies, and they had never asked to enter, indicating, however, that if for any reason trust companies should wish to enter, there would be no objection.

I also wrote letters to the Banking Departments of the forty-eight States, but did not receive replies from the following fifteen: Arizona, Arkansas, Delaware, Florida, Georgia, Kentucky, Louisiana, Mississippi, Nebraska, North Carolina, Rhode Island, South Carolina, South Dakota, Tennessee and Wyoming. It is to be noted that of these fifteen States not replying, ten are States in which banking supervision is not complete, and doubtless on account of lack of adequate reports, there was nothing they could say. It is perhaps true also that the other States from which replies were not received had no records to which they could refer. In this letter I asked the number of trust companies doing business in the State on January 1, 1897, the number on January 1, 1912, and the aggregate capital, surplus and profits and deposits on those dates. I also inquired if there had been any failures of trust companies, and if so, whether the depositors were paid in full. Especially I asked as to whether any trust estates in charge of any trust company that had failed had lost anything by such failure, and if so, how much.

Of the thirty-three States from which replies were received, only nine could give the information asked for both the years 1897 and 1912. However, twenty-one of the States could give the information for the year 1912, showing how great the improvement in trust company supervision was during the fifteen years that this Section has been in existence. These twenty-one States, on January 1, 1912, had a total of 1,063 trust companies, with a total capital, surplus and profits of \$848,397,935.60, total deposits of \$3,320,497,805.19. Four other States gave information for 1912, but it was incomplete.

For purposes of comparison, it will be necessary that we take the nine States that could give complete information of both years. They are: Connecticut, Illinois, Maine, Massachusetts, Minnesota, Montana, New Jersey, New York and Pennsylvania.

The following table shows the comparison of conditions in these nine States:

	1887.	1912.	Gain.	% of Gain.
No. of trust companies..	241	657	416	172%
Aggregate capital, surplus and profits..	\$191,251,684	\$698,276,784	\$507,025,099	265%
Aggregate deposits....	\$584,008,422	\$2,799,100,047	\$2,215,091,624	379%

In considering this table, it must be remembered that it gives the growth in only nine States; but, as the entire twenty-one States which gave figures for trust companies on January 1, 1912, had aggregate capital, surplus and profits of \$848,397,935.60, with aggregate deposits of \$3,320,497,805.19, and of these amounts the nine States had aggregate capital, surplus and profits of \$698,276,784.82, with aggregate deposits of \$2,799,100,047.05, it is clear that of the total 1,063 trust companies in the twenty-one States from which data could be obtained, these nine States must contain the largest and best developed trust companies. This would seem to indicate that where supervision has been the most complete, trust companies have developed most rapidly. For this reason, it would seem that this table is a fair index of trust company growth, which from every standpoint has been most remarkable.

However, it is when we consider the list of failures of financial institutions that trust companies show up best. According to Bradstreet's, during the fifteen years that this Section has been in existence, from 1897 through 1911, the failures among "loan and trust companies" have been seventy-one.

The next class of institutions are the savings banks, which during the same period had seventy-seven failures, while the national banks had one hundred and thirty failures, State banks two hundred and seventy-nine failures, and private banks four hundred and twenty-four failures. This enumeration of course does not show the number of companies that, after closing their doors, resumed operations; but, from common knowledge, it is safe to say that probably more trust companies commenced business again than any other class of financial institutions.

The replies to my inquiries received from thirty-three States showed that in fourteen States thirty-eight failures had occurred, as follows:

California,	1. California Safe Deposit & Trust Company, San Francisco.....1907
Kansas,	1. Loan Credit Trust Company, Wichita.1908
Maine,	4. American Banking & Trust Company, Auburn .....1896
	Northern Banking Company, Portland.1897
	Oxford County Loan Association, South Paris .....1898
	Waterville Trust Company, Waterville.1899
Massachusetts,	3. Suffolk Trust Company, Boston.....1891
	Taunton Safe Deposit & Trust Company, Taunton.....1904
	Union Trust Company, Boston.....1904
Minnesota,	6. American Loan & Trust Company, Duluth .....1894
	Duluth Trust Company, Duluth.....1900
	Northern Trust Company, Minneapolis.1896
	Metropolitan Trust Company, Minneapolis .....1900
	Minnesota Title, Insurance & Trust Company, Minneapolis.....1907
	St. Paul Trust Company, St. Paul.....1884
(The language of this reply from Minnesota stated that six trust companies had "discontinued," but as my question was as to "failures," I take it to mean that.)	
Missouri,	2. Bankers Trust Company, Kansas City.1907
	Mo. Lincoln Trust Company.....
Montana,	1. First Trust & Savings Bank, Billings..
New Hampshire,	1. (Name not given in reply.)
New Jersey,	1. Monmouth Trust & Safe Deposit Company, Asbury Park.....
New York,	10. National Trust Company, New York City .....1877
	American Loan & Trust Company, New York City.....1891
	Merchants Trust Company, New York City .....1905
	Holland Trust Company, New York City .....1906
	Knickerbocker Trust Company, New York City (resumed).....1907
	International Trust Company, New York City.....1907
	Lafayette Trust Company, Brooklyn.1908
	(This company took over the Jenkins Trust Company, which failed in 1907.)
	Williamsburgh Trust Company, Brooklyn .....1911

	Binghamton Trust Company, Binghamton .....1911
	Carnegie Trust Company, New York City .....1911
Ohio,	3. Guaranty Savings Bank & Trust Company, Mt. Vernon.....1911
	Metropolitan Bank & Trust Company, Cincinnati .....1911
	Columbus Savings & Trust Company, Columbus .....1912
Oklahoma,	4. (Names not given in reply.)
Oregon,	1. American Bank & Trust Company, Portland .....1911
	Northern Banking Company, Portland.1897
Texas,	1. (Name not given in reply.)

The remaining nineteen States either reported no failures, or no failures since the Banking Department had been established.

Of these thirty-eight failed trust companies, ten had paid all depositors in full. The Carnegie Trust Company, of New York, up to the time of the answer to my inquiry, had paid only twenty-five per cent. to depositors, though it was stated that liquidation was not complete; and it was estimated that the California Safe Deposit & Trust Company, of San Francisco, would pay from twenty-five to forty per cent.; up to this time it has actually paid only ten per cent. These are the greatest losses to depositors reported. Next after these, in the percentage paid depositors, come the Suffolk Trust Company, of Boston, with thirty-eight per cent.; Bankers Trust Company, of Kansas City, Missouri, with forty-three per cent.; Lafayette Trust Company, of Brooklyn, New York, with fifty per cent., and the liquidation not yet completed; First Trust & Savings Bank, of Billings, Montana, with sixty-five per cent. estimated; Monmouth Trust & Safe Deposit Company, of Asbury Park, New Jersey, with sixty-five and one-fourth per cent.; Binghamton Trust Company, of Binghamton, New York, with seventy per cent., and the liquidation not yet completed; Taunton Safe Deposit & Trust Company, of Taunton, Massachusetts, with seventy-five per cent.; American Bank & Trust Company, of Portland, Oregon, with seventy-five per cent.; Waterville Trust Company, of Waterville, Maine, with eighty-five and ninety per cent. estimated; Minnesota Title Insurance & Trust Company, of Minneapolis, Minnesota, ninety per cent., and the liquidation not yet completed.

This record of trust companies in relation to their depositors covers a period of fifteen years, and the fact that out of 1063, the total number of trust companies existing in the States from which the data was obtained, only thirty-eight have failed, is in itself a certificate as to their high character.

However, the trust company has matters entrusted to it of a more sacred nature than are given to the charge of any other corporation. It is its province to act for a man after he is dead; it is charged with the responsibility of seeing that the man's family is provided for to the full extent of the property he leaves; or, it might be that during his lifetime, some one needs a faithful trustee and has chosen a trust company. Has it been faithful to the trust imposed? Its record speaks for itself, and shows beyond the possibility of dispute that the trust company has been a much more faithful steward than the individual.

In only three out of the thirty-eight failed trust companies has there ever occurred any loss to trust estates entrusted to them, and at this writing in only one instance is it certain that there will eventually be a loss. My reply from New Jersey says that in the failure of the Monmouth Trust Company, of Asbury Park, the loss to trust estates has been \$1,994—surely not a very serious matter. The loss to trust estates, if any, in the failure of the California Safe Deposit & Trust Company has not been fully determined, while in the case of the Carnegie Trust Company, of New York City, ten per cent. of all claims has been held by the State Banking Department, as Liquidating Agent, pending a decision of the court

as to preferred claims. It is stated that if the court holds that trust funds are preferred claims, there is sufficient on hand to pay off all such claims in full. I did not receive a reply to my inquiry from the State of Kentucky, but through other sources I have heard that in the failure of the small trust company in Owensboro there was a loss to trust funds, but the loss was comparatively small. My inquiry in this matter has been sufficiently diligent to justify the statement that, with the exception of these four instances, no trust fund coming into the charge of a trust company in this country has ever lost one cent. This is particularly remarkable when it is remembered that it is estimated that trust companies in this country have in their charge aggregate trust funds, including corporate trusts, of thirty billion dollars. This is one-fourth of the aggregate estimated wealth of the United States, and more than the combined banking power of all banks, national and State, which is reported by the Comptroller of the Currency as amounting to twenty-one billion dollars. In addition to this, exclusive of trusts, according to the same report of the Comptroller of the Currency, trust companies represent twenty-five per cent. of the total banking power of this country.

There is no reason that there should ever be any loss to trust funds coming into the charge of a trust company. It is a principle of law that when a trust fund can be traced, it will be held intact for the beneficiary of the trust, and the Trust Department of every trust company should consider this principal of paramount importance. There should be a separate vault set aside, into which trust securities should be placed. Each trust estate should be kept entirely separate and its securities so marked as to be easily distinguished from all others; and in addition to this, a security register or some other written record should always be kept up to date, itemizing the securities that belong to each trust estate. By some such method, trust companies would be so guarded that in the event of such a calamity as closing the doors, there would be absolutely no question as to whether or not trust funds were a part of the general assets.

It was an old saying of the law that a corporation could not act as trustee, because it had no soul. The

record of trust companies proves this maxim to be fiction. It can be truthfully said that a trust company has the composite soul of its Trust Estates Committee, of its Executive Committee, or its Board of Directors. Men directing a trust company, if doing their duty, cannot act in any other way than conscientiously. As a corporation, the law says that the trust company is a person and it has shown that it has a soul in spite of the law. However, unlike an individual it has no such largeness of personal liberty. This corporation is subject to an examination and supervision that would be resented by any other kind of person,—for do you know of any individual who would not indignantly refuse to allow an outsider to examine into his personal and private books to see if he were engaged in speculation, or if in reality he had all the cash he said he had? He would be insulted if the privilege were demanded of checking up all the securities in his possession to find out if there were any possibility of his trust funds being mingled with his personal funds. Such supervision he would consider an infringement of his personal liberty and a violation of his constitutional rights.

The trust company, however, is subjected to such an examination, but instead of resenting, welcomes it, for it desires anything that will in the least help to safeguard the interests it holds in sacred trust as executor, trustee, guardian, or in any other fiduciary capacity. In fact, the well-managed trust company not only has the conscientiousness and responsibility of the individual, but it has its freedom so restricted as unquestionably to make it far less liable than the individual to either dishonesty, error in judgment, or carelessness in management.

The subject assigned me has led into greater detail than I desired; but this seemed a fitting place for a resume of the standing of trust companies in the several States.

May this Section ever flourish. May its benign influence be widespread, and if its members will give back to it even a small return of what they secure from it, its continued existence will be assured.

Some Unscheduled Liabilities of Trust Companies.

By HARRY M. BATES, Esq., Dean of the University of Michigan.

I wish, at the outset, to express my thanks for most helpful suggestions as to some of the legal problems arising in the performance of the duties of trust companies, and for information concerning the custom and practise regarding the matters with which I shall deal, to the following gentlemen: Mr. F. H. Goff, of Cleveland; Mr. Ralph Stone, of Detroit; Mr. Louis Boisot, Mr. H. A. Dow and Mr. Horace S. Oakley, of Chicago; Mr. Stanley D. McGraw, Mr. Henry C. Swords and Mr. E. C. Hebbard, of New York.

The modern Trust Company, with its varied and highly developed functions, is a characteristic product of our present complex civilization. It meets the insistent economic demand for division of labor, specialized service, expert skill, fidelity and financial responsibility, without which many of the most important and most characteristic business undertakings of the present day could scarcely be carried on. The multiplying and ever refining needs of the business and industrial world have thrown upon this modern conception the performance of a vast number of diversified functions, but nevertheless, so skillfully has the organization been developed and made responsive to the dominant economic movements of the

day, that unification rather than segregation of functions has resulted, with consequent increase in efficiency and decrease in cost of administration. The Trust Company, as someone has said, has become the corporation's corporation, a sort of super-corporation, as it were, an expression which may convey some meaning in these days when our literature is so full of the idea of the superman, living a life and performing functions just above and beyond those of ordinary human beings.

This I think is not mere glittering generality. The Trust Company cannot be classified with other corporations or business organizations, either from the point of view of the law pertaining to its creation and subsequent life, nor from that of its functions. This must be clear when we consider that trust companies perform functions heretofore distributed among banks, safe deposit companies and individual or corporate trustees, executors, escrow holders, title guarantors, and agent and fiduciaries of almost every conceivable kind.

The question then naturally arises, is there any law peculiar to Trust Companies? Have court decisions in conjunction with statutes resulted in a jurisprudence of Trust Companies? Or, to put a question not so com-

prehensive, have the activities of these companies resulted in the enunciation of any peculiar and characteristic doctrine of law? If these questions are to receive a categorical answer, it must be "no." Trust Companies being corporations, are governed, of course, by the statutes of the State relating to corporations in general and to the Trust Company in particular and to those developments of the judge-made law pertaining to corporations. I have not been able to find a single decision by any English or American court which can be said to arise out of any peculiarity of the Trust Company *per se*. All of the litigation of which I am aware has been settled by the application of statutory law or by the doctrine of the common law relating to corporations, or more often to the particular function or activity involved in each case. The manifold and tremendously important activities of Trust Companies, then, have thus far only added to the development of the law relating to corporations, principal and agent, bailments, and other branches of the common law. In view of the magnitude of the operations of these companies, their failure to produce a new branch of law may seem somewhat surprising. It is due, first to the comparative novelty of this form of business organization, but largely, I think, to a certain toughness of English and American law, if not English and American lawyers, which resists change and novelty of classification. Our common law and our common lawyers are prone, and rightly so, to decide new cases according to old principles, and to find guidance for the determination of rights growing out of activities, in the rules laid down for older and analogous organizations. If this paper has any marked trend, it will be in the direction of inquiring whether this condition of things is likely to continue in the future, or whether we may not, in some respects at least, anticipate the enunciation of principles of law based, of course, upon the old, immutable principles of justice and equity, but arising out of new functions and new relationships created by Trust Companies, and peculiar thereto.

In undertaking to address you on this occasion my first plan was to consider a number of the transactions in which Trust Companies are engaged, principally in its capacities as transfer agent and registrar of corporate stock, and as Trustee under mortgages securing corporate bonds. I have, to a large extent, abandoned this plan, however, first, because I find there has been very little development of the law since other papers on this subject were read to you, and partly because the admirable report of the Stock Transfer Conference of Transfer Agents and Counsel has been recently published, and it discusses the important questions with which a transfer agent and registrar is obliged to deal, and contains a promise of fuller treatment with citations of authorities in a book shortly to be published. For me, then, to go over this ground would be superfluous, not to say presumptuous. I shall confine myself therefore to a brief consideration of the liability incurred by the Trust Company in its dealing with corporate stock in order to show what little development the decisions of the last few years have produced, and especially of seeking to find out the general trend of that development with a view to hazarding some opinion as to its probable future course and direction.

Let us then first inquire to what extent the liability of Trust Companies, acting as Transfer Agents and Registrars, has been established by statutes or decisions of the courts. Statutes afford almost no assistance in determining this liability, and court decisions on the subject are extremely few in number. This is a splendid tribute to the skill and fidelity with which Trust Companies have performed their delicate, important duties, but it makes it difficult to state with confidence or precision the nature and extent of the liabilities incurred. One is further embarrassed in the effort to make such a statement by the fact that there is lack of uniformity,

and especially an almost complete lack of precision and definition in the contracts of employment of Transfer Agents and Registrars, and in the language used by such agents in certifying the performance of their duties. Authority for the employment of these agents is derived, of course, from resolutions of the directors of the corporations making such employment. So far as I have had opportunity to examine such resolutions, while they agree in general purport, they differ considerably in detail, and in defining the functions to be performed they are content as a rule to use only general terms, such as Registrar, Transfer Agent and the like. The method of procedure is sometimes stated, or at least implied, and provision is made for the filing of sample signatures of the corporate officers, and sometimes for the employment of counsel, designated and paid by the principal corporation, to pass upon new legal problems for the guidance and immunity of the Trust Company. No attempt has been made in any of the resolutions I have seen to define or limit the liability of the Trust Company either to its principal or to buyers and sellers of the corporate stock. The question of ultimate liability to third persons could not, of course, be determined by resolution or by contract between the principal and agent corporations. In 1907 Mr. Ralph Stone, of Detroit, published a valuable paper on this subject, in which he showed that at that time the Trust Companies of New York used at least seven different words or phrases to indicate the performance of their duties as registrar: "Registered," "entered," "countersigned" and "countersigned and registered" were those most commonly used in New York and elsewhere. So far as I have been able to learn, the same divergence in language still exists.

It has been said often in this Section that the relation between the corporation and its Transfer Agent or Registrar is that of principal and agent. Certainly that relationship exists, and out of it grow certain duties and liabilities, the general principles of which are fairly well settled, but, as has been said, the application by courts of their principles to specific cases have been very few in number.

As new cases arise, and as the function of the Trust Company, in this and other respects, become more fully developed and highly specialized, it is possible that new duties and liabilities will be recognized by the courts. What the nature of these possible new liabilities may be can be understood only by considering what those already established are. As the law stands to-day the general outlines of the relationship are fairly clear and simple. Any agent is liable to his principal if he fails to exercise that degree of skill in the performance of his duties which an ordinarily prudent and skillful man would exercise in looking after his own affairs in like matters. Unquestionably, however, it has come to be recognized that the Trust Company is and holds itself out to be especially skilled and expert in the performance of the duties in question. Compensation is doubtless based upon this understanding. It follows, then, that the Trust Company owes to its principal that high degree of care and skill which experts in such matters ordinarily exercise. This I admit is a generality which would be of little use to one not accustomed to applying general legal principles to specific cases. It certainly imports, however, that the Trust Company, acting in these capacities, shall employ trained and experienced clerks and officials, that they shall give to their work careful attention and shall have ample book and other office facilities for the performance of their duties. It further imports that the Trust Company's officials and employees shall understand and be governed by the law pertaining to the transactions in question, and this often involves the law of several States, that they shall take notice of all matters or facts appearing in the transactions, or otherwise brought

* Trust Companies Magazine, 1907; page 214.

to their notice in connection with such transactions, showing, or tending to show, as the result of settled law or practice, any rightful claim or liens or disabilities which destroy, restrict or limit the right of the seller to sell or the buyer to buy the stock in question. The Transfer Agent or Registrar would, of course, be liable in case its principal suffered damages by reason of the transfer or registration of an excessive issue of stock.

The courts have made a somewhat subtle distinction in classifying the liabilities of the agent with reference to third persons who, in the transactions we are considering, would usually be the owners or purchasers of stock. Even though the contract be exclusively between the corporation and the Trust Company, the Trust Company is nevertheless liable for all acts of misfeasance whereby third persons are injured.* For nonfeasance, by which is meant non-performance of its duties, the agent, generally speaking, is not liable.† The courts of New York have passed upon this very point as applied to transfers of stock. The attention of your Section has been called by others to the case of *Dunham* against the City Traction Company, decided by the Appellate Division 101 N. Y. S. 87. In that case the transfer agent was held not liable to a person entitled to a transfer of stock for the agent's delay in making such transfer, the court holding that there was no contract between the transfer agent and the stock purchaser, that the acts complained of amounted only to nonfeasance, and that the purchaser's only recourse was against the corporation itself. The clear inference from the opinion of the court is that the corporation itself could have been made to respond in damages to the plaintiff, though it was shown that the delay in making the transfer was due to the honest but erroneous belief of the transfer agent that as a matter of law the plaintiff was not entitled to receive a transfer of stock without certain steps which had not been taken. On this point a recent Iowa case is instructive: *Dooley vs. The Consolidated Gold Mines Co.*, 109 N. W. 864. Assuming then that the principal was liable, did it have a remedy against its agent? The law is not settled on this point, but in my opinion the tendency will be to hold the agent liable to the principal on the ground that as an expert in the transfer of stock, his failure to know the law in connection therewith will not excuse him, but constitutes negligence. All this involves a delay of results with which there is just impatience. This case has since been confirmed by the Court of Appeals, 193 N. Y. 642. There are at least five other decisions to the same effect by inferior courts in New York. I do not, however, believe that it would be safe to assume that the courts of other States will always follow these decisions. In the *Dunham* and other recent cases in New York State, the decisions were made with very little discussion of the principles involved, but on the authority of much earlier New York cases, notably that of *Denny* against the Manhattan Co., 2 Denio, 115. The transactions involved in the transfer of stock in that case, and in all other cases of that time, was very different from the present method. The transfer was then made upon the books of the company, at its own office, by a clerk or official of the company. The reason for insisting that the injured party pursue his remedy only against the corporation and not against its employee in such cases was clear. It may be doubted if the same reason is fully applicable under modern conditions, but to this I wish to call more particular attention later.

In my opinion, Trust Companies should also take notice of the recent tendency in many of our State courts to limit the scope of this doctrine of nonfeasance. Thus, it has been held in many cases that where the agent undertakes the performance of an act, in which the rights or property of a third person are involved, if he then

abandons the undertaking, or neglects to perform some part of it, or so delays his performance that the person is injured, the case is really one of misfeasance and not merely of nonfeasance. See for example *Osborne* against *Morgan*, 130 Mass., 102. It is not clear to me that the New York courts have been sufficiently impressed by this somewhat newer doctrine. To refuse to transfer corporate stock to one entitled to it repeatedly has been held to constitute conversion for which the corporation is liable. Some court may some day hold that if the agent takes the assigned old certificate preliminary to transfer, and then refuses to go on with the transfer, that he is liable directly to the injured person.

For a long time it was the well settled doctrine of the courts that suit could be brought for violation of a contract only by one of the parties to such contract. This is true in some States, notably in Massachusetts and Connecticut, but in most of our States this doctrine has been so modified that where a contract between two parties is made for the express benefit of a third party, such third party may sue the promisor. The law is in much confusion on this point, and with the present state of popular discontent with the administration of law and the probable general tendency of the courts, elsewhere referred to in this paper, it is not impossible that there may be an even further extension of the rights of third persons, not parties to the contract, but benefited by it, to sue on such contract. An illustration of what may happen is seen in the decisions of those courts permitting a resident of a city, which has contracted with a water company to furnish water for public use and for the private use of its citizens, to sue such water company for damages resulting through failure of the company to fulfill its contract. For example, where the citizen's house is destroyed by fire by reason of the failure of the water company to supply the agreed amount of pressure. In the case of the *Guardian Trust Company* against *Fisher*, 200 U. S. 57, the United States Supreme Court sustained a decision of the North Carolina Supreme Court enforcing such liability on the ground that the water company was performing a quasi-public or governmental function and was liable to a citizen injured by reason of its failure to supply the agreed amount of water pressure, but there have been several decisions in which such suit was allowed on the pure contract theory. They are not, in my opinion, sound as a matter of legal theory, but no one knows when the doctrine may become established in several of our States. See 3 Mich. Law Review, 442, 500.

Some courts seem to have gone to extreme lengths in requiring the corporation to ascertain at its peril whether the sale is legitimate and authorized, and on the other hand they have held the corporation to strict liability for honest but mistaken refusal to make the transfer. Instances of this type of the twin dangers, the Scylla and Charybdis, between which the transfer agent must steer its narrow and tortuous course, may be found in two recent cases. In *Miller vs. Doran*, 245 Ill. 200, decided in 1910, a corporation transferred the stock in question after a decree had been entered in pending litigation finding the ownership of said stock in such prospective transferee. The transfer was accordingly made. On appeal, however, the decree was reversed and the corporation was held liable to the person finally adjudged to be the rightful owner. On the other hand, in *Mundt vs. Commercial National Bank*, 99 Pacific Reporter, 454, it was held that the corporation cannot inquire into the motives which induced the transfer, nor question the consideration of such transfer. In *O'Neill vs. the Wolcott Mining Co.*, 98 C. C. A. 309, a corporation was held liable for refusing to transfer stock, which refusal it based on the ground that the original certificate still stood on its books in the name of the original purchaser who some years

* Mechem on Agency, Sec. 571.

† Mechem on Agency, Sec. 572; Huffcut on Agency, Sec. 212.

before the attempted transfer had informed the company that he had lost some of his certificates, and instructed it not to transfer any of the stock represented without his consent.

The question as to whether a transfer agent is liable for transferring stock upon a forged assignment or certificate remains unsettled so far as I can ascertain. Of course the corporation itself is liable for the issuance of certificates forged or fraudulently issued by its own officers. *Jarvis vs. The Manhattan Beach Co.*, 148 N. Y. 652, and *Fifth Avenue Bank vs. Railway Company*, 137 N. Y. 231, are cases of this type. But it does not follow from this that the transfer agent is liable for the same act where the forgery is not by any of its officers. Neither is there a sufficient analogy between the case of the transfer agent and that of the bank which cashes a check forged in the name of one of its depositors, and which is held absolutely liable therefor, to justify the application of the rule of the bankers' liability. The banker is rightly held to a knowledge of his depositor's signature. The transfer agent on the other hand has not the same means of knowing the shareholders' signature, and in the absence of actual negligence should perhaps not be held liable. I do not undertake to predict, however, how this question will be finally settled. The supposed analogy between strictly negotiable paper and corporate stock has been worked a little too hard. While there may be a tendency toward approximation in the legal characteristics of these two types of paper, the decisions of the courts, nevertheless, make clear that there are vital differences. For example: The vendor of corporate stock does not warrant its value. *Rereton vs. Maryott*, 21 N. Y., Esq. 123. In the case of *Rothmiller vs. Stine*, 143 N. Y. 581, it was said that the rule that one who sells commercial paper payable to bearer warrants that he has no knowledge of any facts which prove the paper to be worthless on account of the insolvency of the maker, does not apply to the sale of corporate stock so as to place the stockholder under any legal obligation to state the fact that the corporation is insolvent.

A few suggestions with reference to the report of the Stock Transfer Conference may not be amiss. These are not in supposed correction of, or addition to, that report, for which, as well as for the distinguished gentleman who participated in the conference, I have the most profound respect. On the contrary, they are to be taken only as growing out of some special experiences of my own, and as made with reference to the possible future tendencies of our courts, elsewhere referred to in this paper. It may not be presuming of me to say that this report contains an admirable statement of those powers so far as the disposition of corporate stock is concerned. Quite properly the report justifies the transfer of stock to or by an executor or administrator, when there are no facts which would put the corporation or its agent upon notice of any limitation of authority by the will or law or of paramount right of others as creditors, heirs or legatees which might restrict such right of alienation. It is precisely here, however, that it seems to me we may look for some change in the attitude of the courts. Our existing decisions go far in giving the executor the right to deal fully with the assets of his testator and in permitting third persons, without notice of restriction or limitation, to acquire good title to such assets, even where the executor has improperly sold them. How great latitude in this respect has been allowed may be seen in the case of *Carter against Manufacturers' National Bank*, 71 Maine 448, in which a bank had loaned money on a pledge, by an executor, of stock belonging to his testator's estate, the proceeds of which loan he converted to his own use. The bank was allowed, nevertheless, to retain title to such stock as against creditors and other claimants. The recent *Mississippi case*, *Meyers vs. Martinez*, 48 So. Rep. 291, is perhaps even more ex-

treme. In that case an executrix fraudulently appropriated stock in a bank of which she was a director to the prejudice of creditors. The bank had permitted her to sell this stock, knowing of the pending administration, yet it was held that the bank had incurred no liability to the creditors. The doctrine thus exemplified is based upon conditions which no longer exist. In the first place, it was the early theory of the courts that the executor, being the confidential appointee of his testator, stood in the latter's shoes and could deal with his estate pretty much as the deceased himself might have done. With the developments of our modern probate law and the close scrutiny and supervision of the court over all of the executor's acts, this view of the executor's relationship to the estate and his power in connection with it is no longer tenable. In the second place, the great power allowed the executor was due to the opinion that he should be permitted to deal freely with the assets of the case and that purchasers should be able to buy freely in order that the best price might be obtained. The same developments of the functions and powers of the probate court with the power to authorize a sale at any time, and to require a bond, now enable the executor to give assurance of title to the purchaser in all cases where he has a right to sell. It will not be surprising, therefore, if the courts in the near future show a tendency to find that the purchaser from the executor is bound by the mere fact of the executorship to ascertain at his peril the extent and the limits of the executor's authority in each case, and the facts as to the payment or non-payment of taxes, debts and legacies. In other words, the present tendency, though not a marked one, is to restrict and limit the legal presumption that the executor is dealing lawfully. This possible increase of liability can be partially guarded against by insisting upon an order of court authorizing the sale or the taking of an indemnifying bond in most cases.

There is great danger in dealing with that portion of an estate which is covered by the residuary clause. Cases are not uncommon in which the residuum of an estate supposed at the time to be large, is given to the widow or other near relative of the deceased. Though large when the will was made, or even when the testator died, this residuum may shrink before the time of closing the estate. It may well be, and in many cases it has transpired, that property thus distributed or sold under the residuary clause turned out to be needed to pay debts or specific legacies. No transfer agent, therefore, should consent to the sale of stock covered by a residuary clause of the will without an order of court, an indemnifying bond, or other protective measure, except, perhaps, in the clearest possible case of a sufficiency of assets.

This point may be considered in connection with questions I and VI of the Conference Report. In regard to transfers by guardians it seems to me that when it is feasible to do so, the transfer agent should require copies of the letters of authority to the guardian, and if the ward's estate be still under the control of the court, it should demand an order of court authorizing the transaction. I cannot but feel that it is dangerous for the transfer agent under these circumstances to rely upon the presumption that the guardian is acting lawfully and with authority. The courts are proverbially tender in the affairs of wardship, and the utmost care in dealing with guardians is advisable.

I have time for only a passing reference to a few matters concerning the liability of Trust Companies acting as trustees under mortgages securing corporate bonds. It is apparent that the practise during the last few years has tended toward a uniform and, it seems to me, a very wise refusal of Trust Companies to certify the character or quality of the bonds thus secured either as first mortgage, leasehold or of other types. But it is obvious that Trust Companies should have no connection with a bond

issue in which the salient characteristics of the security are not clearly set forth on the face of the bond itself, together with reference to the mortgage or trust instrument in which a complete and detailed statement of the security should, of course, be made. The purchaser should determine the character, quality and value of the security for himself; at least he should not look to the trustee for this information. The Trust Company has too many important functions to perform, and it owes too much to its stockholders and the various enterprises with which it is connected to subject itself to the uncertain and potentially enormous liability involved in certifying the character of securities. The liability of the trustee ought to be clearly and definitely set forth in the trust instrument. So far as the bond is concerned, the nearly universal practice now seems to be to make a simple statement like the following:

"This is to certify that this is one of the bonds mentioned in the indenture within referred to."

As a matter of practice, however, Trust Companies pretty generally undertake for their own assurance and reputation many things not indicated by the foregoing, and there is unquestionably a strong disposition on the part of the investing public, at least in that class of non-professional investors known as outsiders, to infer that the connection of the Trust Company with an issue of secured paper is a sort of blanket guarantee that all is well. Unquestionably prominent Trust Companies are often selected to perform the function of Trustee for the very purpose of giving this general assurance facilitating the sale of the securities. This, in my judgment, makes the situation a dangerous one, for while the general popular belief cannot create legal liabilities, acquiescence in this custom and in this popular impression will tend to color the decisions of the court when questions of liability arise. It is highly important, therefore, that the liability of the Trustee be strictly defined and limited, and that by proper recitals in the bonds and Trust instruments notice of the limitations be brought home to investors. In this same connection the most scrupulous care should be exercised in the choice of words used in describing the securities. An illustration of what I mean is brought out in the following incident: A corporation recently borrowed a large sum on its own notes. This issue was carefully guarded by an instrument with the ordinary commercial safeguards. Acting on the advice of one of the most skillful examiners of corporate securities, the Trust Company requested to act in the premises refused to certify this issue of notes so long as the promises to pay were styled "debentures," on the theory that a debenture imported some kind of collateral and that to certify such notes as debentures might mislead the public. But after all the safeguarding of the Trustee in these transactions is a matter of individual consideration in each case, and few general rules of value can be laid down.

In the foregoing fragmentary discussion I have considered the liabilities of the Trust Company, especially when acting as Transfer Agent and Registrar, as circumscribed by the law of agency. I think it highly desirable for many reasons that the liability be so limited, but I can scarcely feel that I shall have shown the extent of my appreciation of the honor you have conferred upon me in asking me to address you, unless I point out certain tendencies which seem to me not unlikely to result in an actual extension of and addition to the liabilities incurred by the Transfer Agent and, to a less extent, by the Registrar. It might for the moment be more gratifying to you if I were to assert roundly that these liabilities can never transcend those of the ordinary agent, and that the only questions which can arise in the future are those involved in the application of the settled principles of agency to specific cases arising in

the Trust Company's business. I cannot but feel, however, that there are many signs of the times and many currents of popular thought, and some almost casual not to say subconscious expressions of the courts themselves in cases involving Trust Companies, which portend possible changes in the law. And unpleasant and unpopular as it may be to bring these matters to your attention, it seems to me that this is the honest and perhaps the only service I can render to you on this occasion. It would be superfluous to do more than merely refer to the present intense popular dissatisfaction with the attitude and conduct of the profession which I am proud to represent here to-day, with our existing law, especially that concerning large business activities and with the administration of justice generally. In the nature of things the lawyer is, and ought to be, conservative. As Sir Frederick Pollock, the great English jurist, has said, "taught laws," by which he means in effect English and American law of to-day, "is tough law." It has resisted change, and has seriously retarded in some particulars legal reforms instituted by legislatures by applying the rule that statutes in derogation of the common law must be strictly construed. As a result we have been almost overwhelmed with a flood of criticism, some just and more of it unjust. And certainly, however unjust this criticism may be, I do not see how anyone can fail to realize that there has grown up among the American people a state of mind and an attitude, not wholly the work of demagogues, which is exerting and is sure for some time to continue to exert an increasingly powerful influence upon our legislatures and courts.

This wave of popular criticism, so far as it affects the law relating to Trust Companies, bears most heavily upon the supposed favoring of large business enterprises at the expense of the individual circuity of action, concerning which I have already spoken, and technical or arbitrary defenses. There is a strong feeling that too often the law considers the form rather than substance of things. Moreover, the recent development of the paternalistic attitude of government in the effort to have government protect the individual in every possible way, a tendency which certainly has its unfortunate results, whatever may be its effect as a whole, finds a corresponding tendency to insist that the individual be protected by somebody, even in his individual investments and business enterprises. In endeavoring to prove worthy of public confidence, and I suppose to increase business, Trust Companies have, perhaps, emphasized this tendency by doing a great many things in connection with their agencies and trusteeships, which are not strictly within the scope of such employment. With the courts yielding, perhaps, subconsciously to this popular demand for the protection of the individual as against the great corporate enterprises for directness of action as in permitting a suit against the agent, it would not be surprising if they were to permit the growing custom of Trust Companies to undertake these enlarged functions, to result in the establishment of legal liabilities not before attendant upon the functions in question. The case of the transfer agent affords the best illustration of this possible tendency. When the transfer of corporate stock was purely an internal affair, performed by the officer or employee of the company, the scope of the liability incurred was necessarily limited to the precise work of transferring the stock, but now the custom is well established to employ for this purpose an independent corporation with established reputation for skill, fidelity and financial responsibility. While this change may have been brought about mainly by the demands of the New York and other stock exchanges, there is no doubt that corporations are influenced to employ Trust Companies in this capacity for the purpose of inspiring confidence in the purchasers of stock, and the purchaser is thus led to feel that an impartial agency, one not controlled by the corporation itself, is passing, in a general way at

least, upon the validity of the stock and its assignment. Is it not probable that there will grow out of this custom something more than mere agency? A corporation may employ a man with an established reputation for skill and honesty and do so partly for the purpose of increasing its business, yet here there results nothing but a case of agency. Impalpable though it may be, it seems to me nevertheless there is a clear distinction between such a case and that of a Trust Company in such a capacity. Unquestionably the public deals more freely in stock which is transferred and registered by such an agency than with one not so certified. A general feeling of security is induced and this fact is getting to be well known. Several years ago a case arose in New York which illustrates my point, and the decision of the case tends to confirm the existence of such a tendency as I have indicated. In *McClure vs. Central Trust Company*, 165 N. Y., 108, one Warner had sold his patent medicine business to an English corporation, in which he became the largest stockholder. Desiring to put his stock on the market in this country, he employed a firm of promoters. They issued a prospectus offering for sale certain shares of this stock, for which the purchasers were to receive certificates issued by the Central Trust Company as transfer agents. McClure, the plaintiff in this case, received such certificates from the Central Trust Company, but Warner being indebted to the English company, the latter refused to transfer his shares. The court held the Central Trust Company liable as a vendor upon an implied warranty of good title. I recognize that this is not a typical case, but the opinion of the court indicates appreciation of the fact that the transfer agent may easily put itself in a position with liabilities much greater than those of a mere agent. As I have before said, popular belief cannot create legal liabilities, nor can mere custom change established law, but in most of our States there is no established law relating to the status and liabilities of Trust Companies acting in certain capacities. Without saying that they would be justified in so doing or that this would be a scientific development of law, I believe that it is nevertheless true that some court or courts of last resort may, in the near future, hold for an enlarged liability of the kind indicated, perhaps that of an insurer, even upon the rather vague basis I have outlined. If they do, it will be because they recognize that the participation of a great Trust Company aids, and is often intended to aid in the sale of corporate stock, and they will say that out of this grows moral responsibility and legal liability.

Now I am very far from believing that this possible tendency is desirable. On the contrary because of the delicate and important functions it has to perform, because it has become such an essential part of our vast modern fabric of business, it seems to me that trust companies should not be allowed to incur this potentially varied and enormous liability. How can such liability be escaped should the courts manifest a tendency to impose it? I can add little, if anything, to what has been said by former speakers in arguing for legislation, uniformity of practice.

avoidance of general terms in certificates and elsewhere, and the strict and explicit limitation of the functions undertaken and liabilities recognized.

The recent case of *Davidge vs. Guardian Trust Company*, 203 N. Y., 331, and the somewhat earlier case of *Gause vs. Commonwealth Trust Company*, 196 N. Y., 134, will show what legislation can accomplish. In this action the Court said: "The Legislature intended and the public interests demand that trust companies shall be confined, not only within the words, but also within the spirit of the statutory provision which declares that a corporation shall not possess or exercise any corporate powers not given by law or not necessary to the exercise of the powers so given. Such authority does not permit a trust company to enter into speculative and uncertain schemes, or, unless under peculiar circumstances not disclosed in this case, become the guarantor of the indebtedness or business of others." This permits the defense of *ultra vires*, one of great strategic value.

Something at least can be accomplished in agreeing upon the language of transfer and registration certificates. For example, it seems to me better that trust companies should sign "as registrar" or "as transfer agent." The use of the word *as*, though possibly superfluous, tends to bring out the limited character of the work performed. While I do not think that in the case of *Jarvis vs. Manhattan Bank Co.*, 148 N. Y., 652, the court intended to attach the significance to the word "countersigned" which some writers have ascribed to it, still it seems to me it is a word to avoid because in the popular mind it is often taken as indicating a general authentication and guarantee of the instrument in question. For similar reasons perhaps the phrase "entered for registration" is to be preferred to the simple word "registered." The difficulty about all of these cases is that the statutes and the corporations themselves have assumed that certain general terms such as transfer agent, registrar and the like have definite meanings. This is not the case. Would it not be possible, and is it not desirable that these words should all be defined by law, at least in States in which there is much business of the kind we are considering, or that a precise, explicit delimitation of the functions performed be attached to every instrument involved. Just how this should be done, if it be feasible at all, it would be presuming in me to undertake to say. Finally, let me repeat that the possible tendencies to which I have referred would certainly not be scientific legal developments; that the extension of liability, which I fear, is on almost every account undesirable and that if I have ventured to give expression to these half prophecies, it is because I have a keen appreciation of the vital importance to the business world and to all of us, of preserving the strength and integrity of this great modern commercial device which you gentlemen so ably represent, which you are conducting, with such fine appreciation of responsibility, and such great fidelity.

Committee Reports—Trust Company Section.

Report of the Executive Committee, by F. H. Goff, Chairman.

To the Members of the Trust Company Section of the American Bankers' Association:

The Trust Company Section was organized in 1896. Its first annual meeting was held in Detroit in 1897, fifteen years ago. The increase in the influence and importance of the section, to some extent, may be measured by the increase in membership. In 1897 there were 114 members, having combined resources of about \$350,000,000. The membership on September 1 of this year was 1,251, with combined resources of approximately \$4,500,000,000.

The work accomplished during the period has been noteworthy. The laws of the several States relating to Trust Companies have been collated and published; a complete set of approved trust company forms has been carefully compiled; the duties and liabilities of Trust Companies in acting as registrar and transfer agent, as trustee under corporate mortgages and in conducting a safe deposit department, have been studied and defined; a beginning, at least, has been made in standardizing the method of accounting; due to the efforts of the Protective Laws Committee, especially of its able chairman for many years, Mr. Lynn H. Dinkins, the use of the word "trust" in corporate titles has been protected by legislation in most of the States.

The development of Trust Companies throughout the country during this period is evidenced by the fact that in 1897 only nineteen of the then forty-nine States and Territories had passed general laws providing for the incorporation of Trust Companies; whereas to-day not only have such laws been passed, but strongly financed and prosperous Trust Companies are doing business in most, if not all, of the States.

At a meeting of the Executive Committee held at Briarcliff in May, the future work of the section was carefully considered. Among other things, your committee deemed it desirable that the work of the Protective Laws Committee be enlarged to secure the adoption, so far as possible, of laws by the several States providing for the supervision, regulation and control of Trust Companies acting in a fiduciary capacity, to the end that the interest of beneficiaries might be everywhere adequately safeguarded, and the high standard and good repute of Trust Companies maintained.

Having protected the use of the word "trust," it is believed that the duty of our organization should now be directed to securing the adoption of uniform laws properly safeguarding the exercise of trust functions by corporate institutions.

A committee consisting of Oliver C. Fuller, Chairman, president of the Wisconsin Trust Company, Milwaukee, Wis.; A. A. Jackson, vice-president of the Girard Trust Company of Philadelphia, Pa., and Isaac H. Orr, trust officer, St. Louis Union Trust Company, St. Louis, Mo., was appointed to prepare and submit to this meeting recommendations looking to the accomplishment of such purpose.

Your committee also considered the advisability of endeavoring to make better known to the general public the advantages of corporate trusteeship, by a co-operative publicity campaign. It was ordered that this be assigned as one of the topics for general discussion at this meeting, and it is hoped that a full and free expression of views may be had.

Following the spring meeting of the Executive Committee, a noteworthy banquet, attended by Trust Company representatives from thirty-seven States, was given at the Waldorf-Astoria, under the auspices but not at the expense of the Trust Company Section. Able and interesting addresses were delivered by Hon. William J. Gaynor, Mayor of the City of New York; Hon. Simon E. Baldwin, Governor of Connecticut, and Hon. Chauncey M. Depew, ex-Senator of the United States.

There was an increase of 114 in our membership during the past year. With the office accommodations and facilities now afforded, your committee believe that the value and efficiency of the work done by our secretary can be so increased that the advantages to be derived from membership will make it profitable for every Trust Company to join the association. The secretary's office is now equipped to compile and preserve for ready reference the statistics and information suggested in the report submitted by H. P. McIntosh, chairman, on behalf of the Executive Committee for 1908.

The work done during the year by the various standing and special committees will appear in reports to be presented by them.

Respectfully submitted,

F. H. GOFF, Chairman.

Report of Committee on Protective Laws.

New Orleans, September 5, 1912.

To the Chairman and Members of the Trust Company Section:

During 1912 your committee has been active in its efforts to secure desired legislation in the twelve States whose General Assemblies were to hold sessions.

In Arizona, Georgia, Mississippi and South Carolina no Trust Company legislation was secured. The causes which prevented action in these States are quite beyond the control of this committee. It is believed, however, that substantial advance has been made in the matter of educating the bankers and legislators in those States concerning the desirability of proper State banking supervision.

Virginia has a law restricting the use of the word "Trust," and this year passed the association bill with regard to deposits in two names. The General Counsel of the Association succeeded in having a number of other desirable bills favorably reported from committees, but they were not acted upon by the House.

In Kentucky a Department of Banking was created. The act provides for the inspection and supervision of banks, regular reports and other desirable restrictions in connection with the transaction of banking and Trust Company business. Additional interesting legislation was enacted providing for the method to be followed in the consolidation of Trust Companies.

Rhode Island passed a law relative to penalties for false statement to obtain credit.

The only new legislation in New York in which Trust Companies are interested was an amendment to the law which provides of what money legal reserve must consist, an act to punish derogatory statements attacking banks, which will include Trust Companies, and a bill relating to false statement to obtain credit.

In New Jersey a bill to punish false statement to obtain credit was passed. Through the efforts of the publisher of "Trust Companies" and of Mr. U. H. McCarter of the Fidelity Trust Company of Newark, the committee has, it is believed, effectively broken up the practice of certain irresponsible parties in this State securing charters for so-called Trust Companies.

In Massachusetts an act was passed exempting from taxation shares in Massachusetts Trust Companies owned by Savings Banks, and Trust Companies are authorized to hold, for their own use, real estate owned by National Banks which they may succeed. A Trust Company may invest in a bank building not exceeding 25 per cent. of its capital and surplus, but in no case to exceed \$250,000.

Maryland enacted legislation placing additional restrictions in regard to reserve of Trust Companies.

In Louisiana, "The Uniform Bills of Lading Act," "The False Statement Act," and "The Act limiting the liability of a bank to its depositor for payment of forged or raised checks for a period of one year," were all passed.

The 1911 Vermont Legislature passed the act restricting the use of the word "Trust."

The Illinois Bankers' Association during the year appointed a committee to make suggestions regarding a bill providing for supervision of all banks in the State of Illinois, and to otherwise safeguard State banking.

At the suggestion of a distinguished member of the Trust Company Section, your committee this year has given some attention to the consideration of existing Inheritance Tax laws. It finds the laws are confusing and imperfectly administered. A majority of the evils in the present systems were indicated in an address by Mr. Jackson at last year's convention. The committee has taken up the matter of securing changes in these laws and will use its efforts to assist in bringing about just and equitable laws in the various States.

A desirable change in the matter of a tax upon the personal estate of a non-resident decedent within Massachusetts was made this year.

Since our last report the committee has lost one of its most valuable members, through the death of Mr. E. J. Parker of Quincy, Ill., who had for several years acceptably represented the Middle West in the committee's affairs. Mr. Parker's successor, named by the president, is Mr. E. D. Hulbert of Chicago.

E. D. HULBERT,
P. C. KAUFFMAN,
SAMUEL W. REYBURN,
HERBERT A. RHODES,
LYNN H. DINKINS.

Committee on Protective Laws.

Report of the Secretary.

To the Members of the Trust Company Section of the American Bankers' Association:

Gentlemen.—I beg to submit herewith my report for the year ending August 31, 1912:

DISBURSEMENTS.

Salaries	\$3,689.19
Rent	701.26
Executive Committee meeting, Nashville....	172.07
Executive Committee meeting, Briarcliff....	1,363.80
Legislative Committee	256.70
Postage, stationery and printing.....	187.33
Proceedings, 1911	1,507.95
Traveling expense	42.30
Convention expense	112.69
Silver cup for Mr. Fuller.....	125.00
Engraving resolutions for Mr. Gillespie....	25.00
Telegrams	18.76
Badges for retiring President and new members of the Executive Committee.....	44.00
Department expense, ice, water and towels..	10.99
Petty cash and sundries.....	18.05
	<hr/>
	\$8,275.09

CREDITS.

November 24, 1911.	
By appropriation of Executive Council.....	\$7,500.00
By sale of 3 copies, Trust Company laws..	7.50
By sale of 3 copies, Proceedings '96-'03....	....
By sale of 2 copies, Proceedings '04-'08....	6.00
By received from postage and stationery...	35.00
	<hr/>
	\$7,557.50
Debit balance	\$717.59

The book of forms for Trust Companies brought out in May, 1910, has met with very satisfactory sales. To date 425 copies at \$15 each and twelve at \$20 each have been sold; total receipts of \$6,615 and total expenses of \$5,519.23, leaving a net profit to the Section of \$1,095.77. This sum is applicable to binding 500 copies of books not yet bound, and which it will be necessary to have done within a few months.

Membership in the Section now numbers 1,251 companies, a net gain for the fiscal year of 114 companies, the largest gain in any one year in the history of the Section. You will find in your seats a printed list of this membership by States. States having more than five members are entitled to a Vice-President.

The report of the Executive Committee and the address of the President, having entered fully into the work of the Section, it is unnecessary for me to make further report, except to say that I have endeavored during the year to make the Section of continual benefit to its members by correspondence, by articles published each month in the JOURNAL OF THE ASSOCIATION, and by furnishing information to papers interested in Trust Company matters.

Respectfully submitted,

PHILIP S. BABCOCK, Secretary.

Report of the Committee on Legislation.

To the Members of the Trust Company Section:

Gentlemen: The resolution offered and passed at the last annual meeting which created the permanent Committee entitled "Committee on Legislation of the Trust Company Section" read as follows:

Resolved, That the Executive Committee shall annually at its first meeting appoint a committee of five as a Committee on Legislation of the Trust Company Section. The President, the First Vice-President and the chairman of the Executive Committee shall be ex-officio members of such committee; the other two members may or may not be members of the Executive Committee. Such committee shall serve until the appointment of their successors.

The general object of the appointment of this Committee was primarily to take in hand all general legislation affecting the members of the Section, and to submit the same, as far as it was possible, to the meeting of the Section for consideration and approval. The special work entrusted to it was the proposed legislation on monetary reform, which was carefully considered and reported upon last year. In the bill proposed and finally submitted to Congress, Trust Companies were fairly treated, and until some adverse action is contemplated it would seem unwise to interfere. The Monetary Commission's Bill now rests with the Finance Committee of the House of Representatives, and nothing can be expected from it until after the general election. It is useless to anticipate what can or will be done, but to those best situated to judge the early passage of the measure seems doubtful.

Respectfully submitted,

F. H. FRIES,
For the Committee.

Report of Committee on a Model Trust Company Law.

At a meeting of your Executive Committee held at Briarcliff on May 8, 1912, the following resolution was adopted:

Resolved, That the tentative draft of the Trust Company law prepared by Mr. Paton, General Counsel, be referred to a committee of which Mr. Fuller shall be chairman; such committee to report any suggestions, corrections or amendments of such draft at the next meeting of the Section.

Your Committee respectfully reports that after careful consideration of the subject it has reached the conclusion that it is inexpedient at this time to attempt to draft a model law covering all of the functions of the various kinds of institutions using the word "Trust" in their title; but that its efforts along that line at this time should be limited to the preparation of a draft of that portion of a trust company law which relates only to the handling of matters in trust, and particularly to the conservation of trust funds and trust estates.

Therefore your Committee feels that the draft prepared by Mr. Paton, admirable as it is, covers in its scope a larger field than it is wise to attempt to bring under the action of a uniform law at the present time.

Although appreciating the desirability of having all the trust companies in the United States operating under identical laws, defining and regulating all of their rights and powers, your Committee believes that an attempt to introduce such a law in all the States of the Union under existing conditions would not meet with a favorable reception.

Your Committee believes, however, that a draft of a model law, insofar as it relates only to the rules, regulations and safe-guards of the Trust Departments of all institutions which accept and administer trusts, is practicable, and would be interesting to all the members of your Section, and especially advantageous to those who are in working for the enactment of new and better trust company laws in some of the States where the laws regulating trust companies are at present far from ideal.

In the opinion of your Committee, a new draft should be prepared on the limited lines that it has indicated, rather than that the draft referred to it for consideration should be amended. Such a draft should be the result of most careful study in its preparation, and this it has not been possible for your Committee to expend during the limited time at its command.

It suggests, therefore, that it be discharged and that the duty imposed upon it be assumed by the already existing Committee on Legislation, under the advice of the General Counsel, to the end that there may be presented for consideration at the next annual meeting of this Section a draft of a model trust company's law, insofar as such law relates to matters in trust.

Respectfully submitted,

OLIVER C. FULLER, Chairman,
ALBERT A. JACKSON,
ISAAC H. ORR.

Detailed Report of Proceedings.

Seventeenth Annual Meeting TRUST COMPANY SECTION, Held at Detroit, Mich., September 11 and 12, 1912.

FIRST DAY'S PROCEEDINGS.

Wednesday, Sept. 11, 1912.

F. H. FRIES, President, presiding.

The seventeenth annual meeting convened in the Hotel Pontchartrain, Detroit, Mich., on Wednesday, Sept. 11, 1912, at 10 A. M., the President, F. H. Fries, of Winston-Salem, N. C., in the chair.

The President: The seventeenth annual meeting of the Trust Company Section will please come to order. We will join in prayer the Rev. Dr. S. S. Marquis, Dean of St. Paul's Cathedral, Detroit. Let us rise.

Invocation by Rev. S. S. Marquis, D. D., Dean of St. Paul's Cathedral, Detroit.

Oh God, our heavenly Father, Thy kingdom is over all the earth and Thy power is infinite. In Thee we live and move and have our being, as the spirit of man prevails, the body in which it dwells to which Thy spirit by light and Thy inheritance remains over all things and dwells within us. Thou art present everywhere and yet Thou art real only unto the man that takes time to make Thy presence real.

We, therefore, pause in the beginning of our labors to-day in order to make a fact which would remain a fact without our consciousness of it, but which is a fact only to us as we make it real to us. The fact is that God is and that He is in all and through all and over all.

Wilt Thou take away from us the deadly belief that God is the God only of the past time or of the future and give us the living faith, the faith in the present tense, the belief in the God who not only was and shall be, but the God who is. Take away from us the deadly belief that there is work in this world which is sacred and that is inestimable which is secular and give us to understand that all work is sacred only as a man does it in and for his fellowmen and in the consciousness of God; that every man's work is a ministry before God only in that it is a ministry to man, and there is no calling in this world that is higher in itself than another, but that, whether a man works with his hand or with his brain, whether it be in the simple work of the shop or the factory or the counting house, or whatever it may be, that a man's work is sacred when it is done as a service to humanity and in the consciousness that God rules and reigns over all.

Take away from us the deadly faith or belief that Thou art a God only of the past or that Thou art shaping the destiny of the dim and distant future, and give us the living faith that Thou art the God of the nation to-day, and that Thou art the God of this nation, and that in it Thou art working out divine principles in so far as the men of this nation permit Thee to work in them.

And may the men who are here assembled this morning, whose work is so vitally connected with the welfare of this country, appreciate the fact that the welfare and the higher blessings that are to come upon them are in a great measure attendant upon the work and the plan and the design which they themselves form for their great and important affairs. Fill us with the consciousness, in other words, before God, that we are the creatures, the offspring, the Son of an infinite Father, who put us here for a divine purpose, and who ennobles and glorifies the work of man who does it in the consciousness of his Father.

Be with us in the deliberations of this and all other days, and may we care more earnestly for the work that Thou hast given us, that we may be ashamed to go through any day in our lives when we have not taken time to make ourselves conscious of the presence of God, of the dignity and of the importance of the work that we are doing and the necessity of doing it as in the sight of God.

This and all other blessings, Oh God, we ask in the name of Thy Son, Jesus Christ. Amen.

The President: It gives me pleasure, gentlemen, to introduce to you Hon. David E. Heinman, who comes charged with a message of welcome from the city and citizens of Detroit.

Address of Welcome, by Hon. David E. Heinman, Comptroller of the City of Detroit.

Mr. President, Ladies and Gentleman: It has come to dawn upon me that the reason the Sections like yours meet on the second day of this great Convention is because the first day is taken up entirely in listening to addresses of welcome. It was my privilege to be over in the Opera House yesterday morning at the first session, and I heard the Governor of the State offer you the entire State of Michigan, and as some of you who were there recall, threw in about all the Greek mythology besides. And then I heard a representative of the city diligently picking up what crumbs of the city the Governor had left and offer you those. And then a Detroit resident, who was an ex-President of the American Bankers' Association, welcomed you with words which can only come from our hearts, and, lastly, the Postmaster of the city, who also happens to be the President of the Board of Commerce, loosened the door of his heart

to say that he could not find one postal card on which he saw the word "Closed." Really, gentlemen, I don't think there was one convention assembled in all our good history that we were so glad to see, and I don't really know what remains for me except as the fiscal officer or Comptroller of the city to rummage in my pocket and pick out the key of the strong box and say, "You have got everything else, now take that." And I think that I would do that, gentlemen, except for the fact that there is a complimentary key in the possession of the Mayor and the Mayor is out of the city at present, and so I will have to equivocate a little bit to let you understand what I might do if the Mayor were here.

I hope the gentlemen of this Convention will not misunderstand the continuity and multifariousness of our wealth, or get for a moment the idea we are glad to see you for what you possess rather than for what you are, but what you stand for, or that there is any selfish motive whatever, but you are located right here in the central part of our city, where the first convention of white men that ever came here 212 years ago was met by the red inhabitants and offered pipe of peace. Now come, gentlemen, we don't mean to, in the parlance of your messenger boys, reverse the operation by coming here with all these welcomes and offering you, not pipes of peace, but pieces of pipe, don't think so.

I wish to say a word as the fiscal officer of the city. It may interest you in feeling that the fiscal atmosphere of this city is such as not to make it entirely unworthy on its part to entertain a Convention of this kind. We are an old city, 212 years old—only nineteen years younger, if you please, than one of our friends here from Philadelphia—and the history of Detroit has been a singularly conservative one. A thing that may interest you: We have a city historiographer here, not one of those moth-eaten individuals who sits at a desk and dreams over a few papers, but a gentleman who has a separate building of his own, one of the finest books of historical reports in the United States, and a few weeks ago he informed me, in answer to a request, that in the entire history of the city of Detroit, 212 years, this city has never defaulted on any obligation of any kind. There have been times when the city has been hard pressed for money, and there was delay, but never a default in the history of its finances.

When I speak of its fiscal condition I must speak of a thing which perforce is known to you all when I tell you that, according to the Government reports, the city of Detroit occupies a fiscal position which is quite unique in its pre-eminence, and when I say that I refer to the fact that there are eight other cities closely approximating Detroit in population, having an average debt of \$25,000,000, yet the city of Detroit has a net debt of only six and one-half million dollars, and against that debt, gentlemen, we have property conservatively inventoried and belonging to the city upward of forty-five million dollars in value—a statement that would entitle us to do business, I think, with any branch of the American Banking Association. And when we sold our bonds, our 4 per cent. bonds, within the last few weeks, the last sale, they brought over par, and this morning the paper reports the sale of water bonds at par, this being a nice, friendly transaction between one of our good trust companies and the Board of Water Commissioners. If it would not be mercenary, if it would not give the wrong complexion to a welcome, I would almost like to discard the pleasant position I have as the herald of greetings and step right down and do a little business with some of you trust company members. Last week I had the pleasure of meeting a convention which was made up of manufacturers of tombstones, but I was not inclined to do very much business with those gentlemen, but this, let me say, is an opportunity which is altogether more alluring, and I am only sorry that we have not a bond sale on where we have so many gentlemen with us to afford us an additional reason for having been in our midst.

Now, gentlemen, in having given you the strong box I ought to really content myself with saying a few words of welcome and then giving way to your regular programme.

I want to say just a word about our trust companies, who heart and soul enjoy having you in our city. That which makes Detroit a good, open, grown, conservative city in its government and fiscal arrangement, also makes our financial institutions the same way. That which puts upon our honorable city commissions that handle almost the entire business of the city our best and most representative citizenship, also puts upon the board of directors of our banks and trust companies precisely that same kind of citizenship, and so in Detroit we never have any fear when hard times come along about

what is going to happen to our institutions, because we know, and history has proven it, we know full well that if there is any trouble we can rely, not only upon the institutions themselves, but upon the individual integrity and individual fortunes of the men who make up the boards of directors of those institutions.

And so I am glad to welcome you in the name of those institution, and to say that they are just as solid and rock bound as the city itself is. We have three institutions here in the order of their foundations, the Union Trust Company, the Detroit Trust Company and the Security Trust Company, and I need not say to you that their representative standing among you is good.

Now what, in a word, what is the welcome that a city can offer you? If I were to ask you to look out of the windows of this Convention to the right and to the left, I would ask you to gather there the inspiration that spells the word "welcome." We, gentlemen, are sometimes too much at our desks, our eyes are fixed on the immediate five-minute matter that is before us; we sometimes lose the proper vision. Yet when we look out and see a great city like this, covering forty-one square miles of territory, proud and happy under God's blue sky on a morning like this, it is there that we ought to get the inspiration of welcome and the impetus for continued good work. If I were to offer you a welcome I would want it to be in some style the noise of the humming factories which enable our thousands and tens of thousands of operatives to build their lives and found their homes and maintain their families. I would get you to include in those words of welcome the thanks of this city, which is glad of our beautiful river and island, where these men can go on the wharves and boats and be refreshed and return to their work. I would seek to gather a part of the great noise in a great city like this, which is impossible, but it comes to us with the voice of hundreds of thousands of men, the men who are achieving and working. It might mean nothing, but it is the noise they make that is inspiring, that is high and noble in a great city in this, the twentieth century.

Gentlemen, I trust that beyond the valuable work which you will do in your section, beyond the pleasant hospitality which this city offers you and to which you bring so largely contributing a share yourselves, beyond that, that you will go away inspired and refreshed for your next year's work by the thought that of a city like this, with all its countless men and women in it achieving all these things, doing those things which make for character and integrity and power, that you bear with you the thought that not only in Detroit is life worth living, but life is worth living if lived rightly in your homes, in your cities all over this land, all over this world—everywhere.

Response to the Address of Welcome, by Mr. F. H. Fries, President.

We have listened to the fervent invocation for the Divine guidance and blessing, and the cordial words of welcome that have been extended to us by Mr. Heineman in behalf of the citizens and the city of Detroit; we feel that it is good for us to be here, that the peculiar pleasure that always accompanies a visit to this charming city is heightened and broadened by the warm welcome of sympathetic friends and the approval of the beneficent Ruler of all things. Under such circumstances we are touched with a peculiar joy, and our hearts respond to such words of welcome with a peculiar thrill of satisfaction and delight. The stirring spirit of this marvelous city seems to pervade us, and its matchless beauty has so captivated us that we are ready to admit that we are a part of its proud citizenship, move to call it all our own, and to sing its deserved praises, not only while we are here, but after we have returned to our distant home. Years ago already the American Bankers' Association laid claim to one of Detroit's distinguished citizens, Mr. George H. Russel, and made him its President. More recently it adopted Colonel Farnsworth, and now it has called to the Presidency Commodore Livingstone; I can see no legitimate reason why we may not, under the present conditions, accept with thanks the city itself and all the good things thereof. We feel very much at home here—are not its Adding Machines a part of our very existence; do we not ride in its automobiles, chew its tobacco, eat its meat, take its patent medicines, and is not the Diamond Match a household word, if not a boon companion? Does not the census show that its widely extended borders have taken in at least one representative of each family from everywhere in this country, and may not the 178 per cent. increase in banking deposits during recent years explain where some of our own anticipated and coveted growth may have gone?

We thank you, Mr. Heineman, and the good citizens of Detroit, for the cordial welcome extended to us, and we will long remember with pleasure the days spent in your midst, especially when a punctured tire along a distant roadside gives us ample time for pious and pleasant reflection. We hope, then, to see again before us your broad and beautiful avenues, your magnificent buildings, your crowded streets, your wharves laden with commerce, the numerous and stately vessels that pass through your gateway, your magnificent parks and palatial and hospitable homes; but most especially your kind words of

welcome and the kindness of your people, which will linger with us most pleasantly, when other memories may have faded away.

It is customary, gentlemen, for your presiding officer to present at this time a report. I would like to say that this report contains some suggestions more particularly connected with the Trust Company Section, which it has been my pleasure and privilege to serve during the past twelve months. With your permission I will read what I have to say.

(The report was read.)

Annual Address of the President, by F. H. Fries.

DETROIT, MICH., September 11, 1912.

Gentlemen: It is our good fortune to meet this year in the charming, progressive and historic city of Detroit, where, fifteen years ago, the Trust Company Section of the American Bankers' Association held its first annual meeting.

We note the marvelous growth of this city and the great development of its business since last we were here, and we realize that it is a part of the general prosperity that has blessed our entire country. During these fifteen years the population of the United States has increased 33 per cent., and its trade and commerce has doubled; bank deposits indicative of this growth have increased in the same ratio, and the bank clearings show that all sections of the country have shared in this prosperity.

If the Trust Company, as an institution, is a natural result of our business and financial development, as we believe it is, this great prosperity must have affected the growth of Trust Companies and be quite apparent in the growth of the Trust Company Section. There was no statement made at the first meeting as to the number of Trust Companies then in existence, but their total capital and surplus was stated as \$224,606,000.00, with assets amounting to \$405,516,714.22. To-day the Trust Companies of the United States number over 1,800, with resources aggregating \$5,500,000,000, besides which they control in some trust capacity \$35,000,000,000 more. The membership of the Section has grown during this time from 114 to 1,251, and their resources from four hundred million to four and one-half billion dollars. Thus, while the population of this country has grown 33 per cent. and the business 100 per cent., the Trust Companies of the Section have increased in number and resources about 1,000 per cent.

The Comptroller's report of 1911 shows the relative growth of National Banks, Savings Banks and Trust Companies since 1907. We note their individual deposits as follows:

	National Banks.	Savings Banks.	Trust Companies.	Total in All Banks.
1911..	\$5,478,000,000	\$4,212,600,000	\$3,295,800,000	\$15,906,300,000
1907..	4,322,900,000	2,495,410,000	2,061,600,000	13,099,600,000
	\$1,155,100,000	\$717,190,000	\$1,234,200,000	\$2,806,700,000
Per cent.				
Increase,	21%	23%	60%	44%

A perusal of these figures must be a source of pride to those interested in the development of the Trust Company idea and a satisfaction to all who are engaged in Trust Company business.

While we are profoundly impressed with these figures as an evidence of past achievements, we are still more impressed with the thought of what may be done, nay, rather what will surely be accomplished in the coming years, if this promise of the future is fulfilled. Let us consider, briefly, not the possibilities as to numbers nor as to aggregate resources, great beyond comparison as these may become, but rather the responsibility and duty of the Trust Company Section and its members in shaping "The Trust Company," that it may the more successfully meet the greater demands that will certainly be made upon it.

The responsibility upon the Trust Company Section cannot be avoided, because Trust Companies are and will probably ever remain State Institutions. The Trust Company Section is the only common ground upon which they can meet and its influence the only one that can be successfully exerted to bring about uniform and improved methods and practices and the passage of better laws in the different States, and from it should emanate every good thing that will help to standardize or improve this work. The varying interests involved and the character of this work broadens the scope of the business necessarily undertaken, and opens a larger field of effort that necessitates the handling of details that may differentiate this from other Sections of the American Bankers' Association, and yet these very interests draw us into more intimate relation with all the other Sections and should tend to cement in a peculiar degree the ties of mutual interest and esteem.

There have been evidences in the past that the general association may not have appreciated the peculiar conditions that have surrounded the Trust Company Section, and that some of the members may have become impatient with the interest and zeal that has been shown at times in its affairs; it has even been stated upon the floor of the General Association that the Trust Company Section contemplates withdrawing from the parent body.

This is not correct, and these impressions should not exist, for it is desirable that the union should be maintained, not only on account of the greater efficiency in matters of general legislation, but because of the greater advantages that arise from closer sympathy and wider acquaintance and the strength and influence that comes by reason of this union. The best thing possible for all concerned lies in working for the real benefit of the individual members, which can be accomplished through the material advancement of their interests. For this reason I am sure that you will listen with a very great deal of pleasure to the paper entitled "Achievements of the Trust Company During the Past," and I recommend a careful consideration of the reports of the various committees, which will show what is being done in the present and to the discussions of this meeting which will doubtless forecast the possibilities of the future.

Perhaps the most important of the possibilities is the passage of the bill proposed by the Monetary Commission for Monetary Reform, which is at present held in abeyance, on account of the political situation. It is hoped, however, that this is only temporary, that the merits of the measure will win for it a favorable consideration, and that its importance to all branches of business and all classes of citizens will ensure its adoption.

The Legislative Committee has given this measure much careful thought, and has secured for Trust Companies full and favorable recognition, which should recommend the bill to the earnest support of all members and their Representatives in Congress. The success attending the efforts of this important committee would seem to warrant the belief that a determined effort might result in obtaining uniform Trust Company laws in the various States. We realize the almost chaotic condition of the laws affecting Trust Company business, and what a stupendous undertaking this would be, and yet the success attending the passage of the Negotiable Instrument Law and the present condition of proposed legislation for a uniform Bill of Lading should afford every encouragement to hope for reasonable success.

The possibilities along these lines are very great.

The excellent work done by the Protective Laws Committee is also encouraging, as the report will show, but the prohibition of the use of the "Trust Company" name to unworthy institutions that seek a chartered existence is not sufficient to save it from slander if companies already chartered and bearing the name are guilty of questionable practices, and this is the case. There are at present promoting companies in three different States bearing the name of "Trust Company," whose object and aim, as well as work, is reprehensible. If it is at all possible the powers and work of the Committee should be enlarged.

The rapid growth of business has necessitated the introduction of methods of accounting and reports that are different in almost every institution, but no one will say that all are equally efficient or equally good, and all will say that there must be a best one. Cannot a more effective effort be put forth to standardize these forms and methods than the publication of a book of forms for choice, admirable as that method was a few years ago?

Trust Company advertising and publicity work is necessary in a business where so little is known and so much information is needed, and this branch of the work is attracting much attention. The intelligent direction by experienced leaders would be appreciated and valued by most, if not all, of the members.

These and many other things claim the attention and the special interest of the Section, but the most important of all is the influence that the Section can constantly exert to raise the standard of service. The work accomplished is important, but the spirit and faithfulness shown in the doing of it is still more so—absolute truth and honesty are the cardinal virtues that belong to the officials and work of the Trust Company. There is no room for falsehood in any form from the advertisement that "Cries our wares" to the final settlement with a most dependent ward.

The Section has called into its immediate service in the past men of unblemished character and high ideals, and they have had much to do with what has been accomplished; appreciating this as I do, I want to emphasize the importance of securing the very best men in the trust company business as officers and members of committees, so that the "highest ideals" will ever remain the goal toward which all members are directed.

Allow me to recommend the continuance of the annual banquet of the trust companies of the United States, given each spring under the auspices of the Section. No single agency has done more for the reputation and upbuilding of the Section. So long as the high standard of the past two years is maintained, the banquet will do the Section great good. I would also venture to suggest a more intimate relation between the Section and the State Trust Company organizations, the forming of which should be encouraged in every way; also the cultivation of the respective Vice-Presidents of the various States through whom more effective work can be done.

I cannot close without making due and grateful acknowledgment to the officers of the Section, and the members of the Committees, with whom it has been my good fortune and pleasure to serve.

May the coming years bring to the Section, and all its members, the prosperity and success they deserve.

The President: Gentlemen, I want to introduce to you a gentleman who is not known here (applause), a very good friend of mine, Commodore Livingstone, of this city. We will be very glad to have him with us and have a word from him.

Mr. William Livingstone, of Detroit, Michigan: Gentlemen of the Trust Company Section, I think this is very unfair. I just came upstairs to hear your President's address and to ask him a question. I had no thought of interfering with your program whatever. I can only say that I am more than glad to see you in my home city, glad that Providence has been kind to us and given us pleasant weather, and I sincerely trust that meetings you are about to have will be one of the most pleasant and most productive in your history, one of the oldest and strongest Sections we have, your old and proud Trust Company Section (applause).

The President: The next in order is a report of the Executive Committee. Mr. Goff is present.

The report of the Executive Committee was read by Mr. F. H. Goff, Chairman of the Committee.

Report of the Executive Committee.

[The report of the Executive Committee is given on page 175 of this publication.]

Mr. Wm. C. Poillon, of New York: Mr. Chairman, I move that the reading of the further reports be dispensed with for the present, in order that we may listen to the addresses prepared for the occasion. We can take up the reports afterwards or to-morrow.

The motion was seconded.

The President: The motion is made and seconded, gentlemen, that we suspend the reports and listen to the addresses that have been prepared for this morning. Those in favor vote by saying "aye," those opposing say "no."

It gives me pleasure under these circumstances to favor Mr. Poillon and to introduce to you Mr. George M. Reynolds, who will speak to us on the Money Trust Inquiry. He needs no further comment from me.

Mr. George M. Reynolds, Chicago, Illinois, then read the address, "The Money Trust Inquiry."

"The Money Trust Inquiry," by George M. Reynolds.

[Mr. Reynolds' paper in full is printed on page 161 of this publication.]

The President: I am sure the members of the Section and those who have heard this able paper are under great obligations to Mr. Reynolds, and I desire in the name of all present to thank him for this excellent paper prepared for us.

The next address, "Some Unscheduled Liabilities," has been prepared by the Dean of the University of Michigan, Henry M. Bates, Esq.

Henry M. Bates, Esq., Dean of the University of Michigan, then read the address, "Some Unscheduled Liabilities."

Some Unscheduled Liabilities.

[Dean Bates' paper will be found printed on page 169.]

The President: I have no doubt that the members would like to discuss this very important question, and unless there is something to interfere we might request the reader of this paper to be with us to-morrow morning. I know some of you are deeply interested.

Mr. F. H. Goff: Mr. President, appreciating as I do the great amount of time and labor involved in the separation of a labor of this kind, covering practically an unexplored field of the law, I move you, sir, that a vote of thanks and appreciation be extended to Dean Bates for the able paper submitted.

By Mr. Poillon: I second the motion.

The President: Gentlemen, you have heard the motion. Those in favor make it known by rising. The motion is unanimously carried.

The President: I am sure you will be interested in the next one—who has been so long interested in the Trust Company's Section—and to the next paper, in which you yourselves have become so very active in the years gone by, and I take great pleasure in asking Mr. Jones, of the Mississippi Valley Trust Company, Mr. Breckinridge Jones, to come forward and tell us what the Trust Company Section has done since he began the Section fifteen years ago.

Mr. Breckinridge Jones, St. Louis, Mo., then read the address, "Achievements of the Trust Company Section During the Past Fifteen Years."

Achievements of the Trust Company Section During the Past Fifteen Years.

[We print Mr. Jones' address on page 164.]

Mr. Oliver C. Fuller, Milwaukee, Wis.: I suggest that a nominating committee of five be appointed by the Chair, which Committee shall receive names in writing from the delegates present, and from said names the Nominating Committee shall

select five persons as members of the Executive Committee for the term 1915; said Committee to report back to the Convention for its action. This resolution was passed unanimously at the meeting of the Executive Committee on Monday.

The President: Is the resolution seconded?

Mr. A. A. Jackson, Philadelphia, Pa.: I second the motion.

The President: All in favor say "aye." Opposed, "no." The motion has been carried. I will appoint that Committee in a few minutes. Is it your pleasure now to take up the reports?

Mr. William C. Poillon, New York: Mr. President, I think this would be a fitting opportunity for this meeting to vote its thanks to Mr. Reynolds and to Mr. Jones for their very able and carefully prepared addresses.

The President: The Chair entertains such a motion with a great deal of pleasure.

Mr. F. H. Goff, Cleveland, Ohio: I second the motion.

The President: Those in favor of it make it known by saying "aye"; those opposed, "no."

The motion is unanimously carried.

Mr. Goff: I suggest that it is the sense of this meeting that there should be kept and filed in the office of the Secretary of the Association the statistical information contained in the papers submitted by Mr. Jones. I have some appreciation for the amount of labor involved in gathering this information, sitting as I have near enough to see his paper as he turned the pages and enabled to determine that it contained very much statistical information, of which he gave us but a brief summary. I ask you to suggest that the Secretary be instructed to verify it and confirm and extend the information contained in that paper.

Motion seconded.

The President: Gentlemen, you have heard the motion. All those in favor will make it known by saying "aye"; those opposed, "no."

Motion unanimously carried.

What is your pleasure, gentlemen, in reference to the reports that we left on the programme? I will ask that Mr. Drake and Mr. Goff distribute the papers for votes, which you will please deliver to this gentleman before leaving the hall. The Committee will from the names gathered select a new Committee and elect it to-morrow.

Unless there is objection, we will hear the Secretary's report.

Mr. F. H. Goff: Mr. President, we find that many of the members do not understand what they are expected to do with these papers. They seem to feel that they ought to submit recommendations to the Nominative Committee for appointment to the Executive Committee for the following year.

The President: The suggestion is that from the names gathered from the members on the floor the Nominating Committee that you have just appointed will select five members of the Executive Committee to serve for the succeeding three years.

Mr. A. A. Jackson, Philadelphia, Pa.: I think that we have had hardly time enough to consider such an important matter, and I second the motion that they be returned to the Secretary the first thing in the morning, after we have had an opportunity to consider the matter. I put that in the form of a motion.

Motion seconded.

The President: I understand that motion is that they return this vote the first thing to-morrow morning. The suggestion has been made that the Committee would like to have these votes in so as to consider them before that meeting. What is your pleasure, gentlemen? The motion is to return these votes at 9 o'clock to-morrow morning.

Mr. A. A. Jackson: Mr. Chairman, wouldn't it be better to let the members that are here now return these to-morrow morning and then let them withdraw at any time during the session for a limited time?

The President: The motion is made, gentlemen, to gather the votes to-morrow morning. That will give the membership ample time for consideration. The Committee will then take it up for their consideration to-morrow. Those in favor make it known by saying "aye"; those opposed, "no."

The motion has been carried.

The Secretary will be here in the hall to gather those ballots in the morning at 9 o'clock.

Mr. F. H. Goff: Mr. President, in order that the programme may be completed without too much pressure, I beg to suggest that when we adjourn we adjourn to convene at either 9 or half-past 9 to-morrow morning. We have talks for discussion that are likely to consume considerable time. I would suggest half-past nine, to meet promptly at 9.30.

Mr. William C. Poillon: Second the motion.

The President: The motion is made that when we adjourn to-day it will be until 9.30 to-morrow morning. Those in favor make it known by saying "aye"; opposed, say "no."

The motion is carried.

The Chairman announces the following Committees on Nomination: R. W. Cutler, President of the Hartford Trust Company, Hartford, Conn.; W. C. Poillon, Vice-President of the Bankers' Trust Company, New York City; Mr. Edwin Chamberlin, Vice-President of the San Antonio Loan & Trust Company, San Antonio, Texas; Mr. John G. Reading, President of the Susquehanna Trust Company, Williamsport, Pa.; Mr. J. J.

Sullivan, President of the Central Savings & Trust Company, Cleveland, Ohio.

Mr. Henry G. Aird, Jacksonville, Fla.: Mr. President, I notice that so many have left the hall, and the reports now to be read are of such great and vital importance and certain interest to every one that they be deferred until to-morrow morning at 9.30.

The President: Is that a motion?

Mr. Aird: Yes, sir.

The President: Gentlemen, you have heard the motion. What is your pleasure?

The motion was seconded.

The President: The motion is made and seconded that we adjourn the reading of the reports until to-morrow morning at 9.30 o'clock. Those in favor of the motion will make it known by saying "aye"; opposed, "no."

The motion is carried.

We will make these reports, then, in the order of first business to-morrow morning.

Is there anything else to come before this meeting?

Mr. Aird: I move we adjourn.

Motion seconded.

The President: The motion is made and seconded that we adjourn until 9.30 to-morrow morning. Those in favor make it known by saying "aye"; opposed, "no."

The motion is carried.

The Convention was then adjourned until Thursday, September 12, 1912, at 9.30 a.m.

SECOND DAY'S PROCEEDINGS,

Thursday, September 12, 1912.

The President: Gentlemen, I am requested to announce that the polls are still open, and will be open until 10 o'clock. The box is here for your votes for five members of the Committee for next year.

The Section will please come to order, and the unfinished business of yesterday is the reports of the Secretary and the Committee on Legislation.

Report of the Secretary.

[The report of the Secretary was read and will be found on page 176 of this publication.]

The President: The report of the Committee on Legislation. Your by-laws require or your resolution requires that the President make this report, and with your permission I will read it.

Report of the Committee on Legislation.

[The report of the Committee on Legislation appears on page 176.]

The President: The next report is the report of the Committee on Protective Laws by Mr. Lynn H. Dinkins, Chairman of the Committee.

Report of the Committee on Protective Laws.

[The report of the Committee on Protective Laws is printed on page 175.]

Mr. Kauffman: If I may be permitted to refer just a moment to the report of the gentlemen of the Legislative Committee in reference to the monetary bill as presented by the National Monetary Commission I want to offer a slight resolution recognizing the fact that a very important body of business men of this country are endeavoring to carry on an educational campaign by sending out information among the business men of the country relative to those important changes that are necessary in our currency system. I will read the resolution if permitted:

Believing that the permanent prosperity of this nation depends upon a sane and sound banking system and a currency that will respond to the seasonal demands of the different sections of the nation, and that the business men of the country, bankers, manufacturers, merchants, and farmers are alike concerned in this most important problem of our economic and commercial life; be it

Resolved, By the Trust Company Section of the American Bankers' Association, that it heartily approves of the campaign of education for sound banking and currency reform which the National Citizens' League is carrying on in the several States of the Union; and be it further

Resolved, That the members of the Trust Company's Section pledge themselves to give their active assistance in the distribution of educational propaganda now being carried on by the National Citizens' League.

I think it is entirely within the province of this Section of the American Bankers' Association to take an active part in this campaign, and to let it be known that this action is properly recognized; and I, therefore, would submit and move the adoption of that resolution.

The President: Do I understand, Mr. Kauffman, to approve the report of the Committee and have it filed and then put this resolution? There is no action on the part of the house in reference to that report.

Mr. Kauffman: I would move that the report of the Com-

mittee be accepted and filed, and I introduce then this resolution.

The President: You have heard the first resolution, gentlemen, are you ready for the motion? Those in favor make it known by saying "aye"; opposed, "no."

The motion prevails.

You have heard Mr. Kauffman's resolution. Is there a second?

Mr. Dinkins: Mr. President, I should like to inquire whether Mr. Kauffman has the approval of the National Citizens' League or any of its officers in presenting such a resolution.

Mr. Kauffman: I did not catch the question.

Mr. Dinkins: I asked whether Mr. Kauffman has the approval of the National Citizens' League or any of its officers. As I understand it, they desire to operate independent of all banks.

Mr. Kauffman: They have a resolution similar to that adopted by the Washington Bankers' Association recent convention, and I have had letters from them not only expressing approval, but most earnest satisfaction that we have taken that position, and I know that they have requested that a similar resolution be presented at their convention.

Mr. Jackson: Mr. Chairman, to get the question before the house, I would second Mr. Kauffman's resolution.

The President: Gentlemen, the resolution has been seconded, and I would like to have the Secretary read or I will read, as I have it before me, Article 7: "Resolutions or subjects for discussion (excepting those referring to points of order or matters of courtesy) must be filed with the Secretary at least 15 days before the Annual Convention and submitted to the Executive Council at its regular meeting preceding the Convention; but any person desiring to submit any resolution or business in open convention may do so upon a two-thirds vote of the delegates present, or such resolution or business shall be referred to the Executive Council to report upon immediately; provided that this shall not apply to any proposed amendment of the Constitution."

The Chair rules that it will take a two-thirds vote on the resolutions and a second that has just been made.

Mr. Robert E. James, Easton, Pa.: Do I understand that this resolution offered by Mr. Kauffman is a resolution pertinent to this body? It is for action in this Section, is it not? How then would the restrictions of the Constitution, which apply only to the general body, affect this body? We must have our own rules. If there is a rule in the Trust Section which prescribes any resolution that is urged and offered from the floor, then, of course, it is a resolution that would not be proper. That provision which has been read from the Constitution applies only to the general convention, not to this Section.

The President: It has been customary, Mr. James, that the rules of the general Association govern in all these matters, at least in former meetings. I think, therefore, we will be right in this case.

Mr. James: Don't you observe, Mr. Chairman, that if you do that you will have no earthly reason for the assembling of this body, for there is positively nothing that can be brought before them. We might meet and adjourn without doing anything year after year because no one thinks of doing any business in this Section, and you could not accept a motion, except an original resolution; you can do absolutely nothing except to meet, smile at each other, and go home.

(Laughter).

The President: Gentlemen, you have heard the resolution and the second; any remarks upon it?

A delegate: Question.

Mr. Oliver C. Fuller, Milwaukee, Wis: Mr. Chairman, I desire Mr. Kauffman to read the resolution again.

The President: Mr. Kauffman, please come forward and read the resolution again.

The resolution was read.

Mr. Kauffman: I would say that in the recent New Jersey Convention this resolution or one almost the same verbatim was presented by a member of this Section, one of your most active members, Mr. McCarter, and was earnestly advocated and unanimously adopted by that State Association.

While it is true that the National Citizens' League is a businessmen's organization, they certainly desire the active co-operation of the bankers in the dissemination of the information they have compiled and if they feel that they have the support of the bankers, they would be all the more ready to continue the work that they are doing.

They have organizations, as you know, all throughout the country. That is the reason why every one of the bankers of every State should approve of the work the League is doing.

Mr. Fuller: Mr. Chairman, I see no objection to the first part of that resolution, approving of the work being carried on by that League or organization, but I should object to this Section pledging its members individually to work and distribute the literature of the League. I think it is an unnecessary pledge, and is one that I think we should not commit the members to. The resolution approving their work I see no objection to, but the latter part of that resolution I shall object to strenuously.

A Delegate: I move an amendment to the resolution by adding the words "as far as consistent with our obligations to our depositors." I think there are some things in connection with banking that the Government, the Commission or no one else has any right to inquire into. I think it is an obligation on the part of every man controlling a bank or institution to see that those privileges and obligations are protected.

The President: Your amendment, sir, is, as I understand, is what?

A Delegate: That "so far as is consistent with our obligations to depositors"—in other words, a depositor might be unwilling to have his affairs investigated, and if we pledge without restriction the Trust Section to furnish all the information that the Commission desires, we might be compelled with that resolution to report facts which would violate the confidence of our depositors.

Mr. Jackson: Mr. Chairman, isn't the gentleman confusing this with the Investigating Committee, Senator Pujo's Committee? This is a thing, as I understand it, relating to the campaign of education by the Citizens' Monetary League upon the Aldrich Bill. While I am on my feet I want to ask whether it would not be possible to accept an amendment to eliminate the latter part of that resolution. I agree with Mr. Fuller that we should not put upon the members of this Section who are not here the burden of a pledge.

Mr. Kauffman: I was just saying that it was not my intention to put any burden at all upon the members, as I do not think that the phrasing of that Section will do so; yet it pledges the members to give their active assistance. Now, if this be obnoxious or is too strong, I am perfectly willing to withdraw that part of the proposed resolution. Of course, all that I was seeking was the approval of this Section for the work of the National Citizens' League, and which meets with the approval of the gentlemen. It is perfectly satisfactory; if you desire me to withdraw that other part, I am willing to do it—that is, if it pledges us to anything beyond our power at all.

The President: I will ask Mr. Kauffman to read the resolution as he now has it.

Mr. Kauffman then read the resolution, with the last paragraph omitted.

The President: Are there any remarks on the resolution as read?

Mr. J. J. Sullivan, Cleveland, Ohio: Mr. Chairman, it seems to me the resolution of this gentleman is eminently proper at this time, and that we can with consistency adopt that resolution as read by Mr. Kauffman. We are all in favor, of course, of the reform and revision of our present currency system. Now, the Citizens' League, we all know what it is. It is actuated by the best of motives to bring about a much desired change in our currency system. Now, then, this is simply an expression—it does not commit us to anything, does not interfere with the priority of rights of any depositor, but it is an expression of this Trust Company Section that we are in favor of this agitation being carried on by the Citizens' League. That is about all there is to it, as I see, and for my part, I am heartily and unequivocally in favor of the adoption of this language as embraced in this resolution, or any similar language that in any way emphasizes our position in the furtherance of this agitation which is now being carried on all over this country.

Mr. Fuller: Mr. Chairman, I just wish to say one word more—that is, that I have no objection to the spirit of that resolution or to the wording of it as now presented by Mr. Kauffman. The objection I have was relative to the pledge, which I understand, we have withdrawn.

The President: Any other remarks, gentlemen?

Mr. Fuller: Question.

The President: You have heard the resolution. It is not necessary to re-read it. Those in favor make it known by saying "aye"; opposed, "no." The resolution is unanimously carried.

What will you do with Mr. Dinkins' report?

Mr. H. P. McIntosh, Cleveland, Ohio: I move it be received and placed on file.

The motion seconded.

The President: The motion is made and seconded that it be placed on file. Those in favor make it known by saying "aye"; opposed, "no."

The motion prevailed.

There is still one report, the report of the Committee on a Proposed Model Trust Law.

Report of Committee on a Model Trust Company Law.

[The report is printed on page 176.]

Mr. Sullivan: Mr. Chairman, I move that the report of the Committee, together with the recommendation, be adopted.

Mr. Poillon: Seconded.

The President: You have heard the motion, gentlemen. Those in favor make it known by saying "aye"; opposed, "no."

The motion was unanimously carried.

The President: We have now reached the second portion of our programme, gentlemen, and before passing into that I would

say that the Committee on Nomination will be called to receive now in the box on the table the nomination of such men as you see fit to nominate for the Committee of Five, which will be elected to-day. I wish also to say that in this discussion I will be very glad, for the sake of the President and Secretary, if those who will speak will announce, not only their name, but the company which they represent so that it may be properly recorded in the minutes. The subject which first comes before us is the Segregation of Savings Deposits held in Trust Companies.

Mr. Wood: Do I understand you declare the polls closed for the Nominating Committee?

The President: Not closed, but I ask for the remaining votes, because there were some delegates who came in. Are there any other votes?

Mr. James: The box is being passed, and I would like to know what it is being passed for.

The President: The five members who will be elected to the Committee suggested yesterday to be nominated. This is merely a suggestion on the part of the floor to get the names.

I want to say to you in connection with this next subject, gentlemen, that it is one of considerable importance and one upon which our members are honestly and sincerely divided. Your Committee on Programme, realizing this, thought it would be well to put it up for discussion and have asked the two gentlemen to lead off in a fifteen-minute talk of the affirmative and negative side of this subject, to be followed by five-minute talks from the floor. In order that there may be a full and satisfactory discussion, the Committee thought it would be unwise to attempt to commit the Sections by a vote. The Chair will therefore not entertain—I say it in advance so there will be no misunderstanding—will not entertain a motion to commit the Section to that. Your remarks may be free and full so as to get at the real merits of the question.

The Segregation of Savings Deposits held in Trust Company. Mr. Pierre Jay, who so ably presented his position at the session last year, is here to present the affirmative side of the case.

SEGREGATION OF SAVINGS DEPOSIT HELD IN TRUST COMPANIES.

Mr. Pierre Jay, of New York, then read the following paper:

SEGREGATION OF SAVINGS DEPOSITS.

I should like to present to you two aspects of the segregation of savings deposits:

1. What segregation means.
2. What segregation does not mean.

Owing to the fertility of the imagination of some of those who oppose segregation, I may take longer to discuss what segregation is *not* than what it is.

1.

On the liability side, segregation requires the savings accounts to be kept separate from the commercial and other accounts.

On the asset side, segregation requires the notes, mortgages, and bonds representing the savings deposits to be kept separate from the investments of the other deposits. The money received from the savings deposits is not to be mingled with the money received from other depositors. The savings investments are held for the savings deposits, and, in case of liquidation, the savings deposits have a first lien upon their own assets. If these are insufficient to pay the savings depositors in full, the latter then have a claim for the balance on the same footing with other creditors on the general assets of the bank.

This is the law, with slight variations, for all State institutions which receive both savings and commercial deposits—in Michigan, New Hampshire, Maine, Rhode Island, Massachusetts, Connecticut, Texas, Idaho, California, and, subject to referendum in November, Colorado.

Nearly all of these States go further and prescribe in what kind of notes, bonds, and mortgages, the savings deposits must be invested.

I suppose that I have been invited to say something upon this subject because I have been Chairman of the Law Committee of the Association, which by instruction of the Executive Council, has been investigating the subject during the past year, and having given hearings, well attended by bankers in Detroit, Cleveland, Chicago, St. Paul, Des Moines, St. Louis, Louisville, New Orleans, and New York, our Committee is supposed to be familiar with the subject and with the sentiment of bankers thereon. Our report submitted to the Executive Council in May of this year and printed in pamphlet form, a number of which are on the table, covers the subject quite fully, and I will therefore only touch briefly upon the matter contained therein.

The Committee found a general agreement that a savings deposit differed materially from a commercial deposit; first, because the bank may defer payment of it for thirty days or more; and, second, because it usually represents all or nearly all of the capital or savings of the depositor. But opinion is evenly divided as to whether the deferrable character of a savings deposit entitles it to its own assets, so that in case of a run on the bank, while the savings depositors are being held at arm's length, the savings assets may not be realized upon to pay off the commercial depositor who cannot be held off while the doors of the bank remain open.

Opinion also seems to be evenly divided as to whether savings deposits should be invested differently from other deposits, because they represent practically all of the capital of the depositor, or because savings depositors as a class are unable to invest their money themselves.

This, it seems to me, is the crux of the whole question. If you are unanimous in the belief that no reason exists in public policy, or morally, or otherwise, to provide the safest possible place where savings may be gathered and deposited, then further discussion is unnecessary; but if one-half of those present to-day should feel as did one-half of those who replied to the queries of the Law Committee six months ago, that savings depositors were entitled to special treatment because their deposits might be deferred, and because their deposits represented practically all of their capital, then clearly there is ground for discussion, and it should begin about this point and should not be obscured by the discussion of details. Cannot we assume that as segregation is in operation in several States, it is unnecessary to discuss its practicability, and confine ourselves to the fundamental idea underlying it? And in our discussions can we not keep clearly before us that the fundamental idea is the special investment of savings deposits, and that the separation of savings from other deposits—commonly called segregation—is merely a plan whereby this fundamental idea may be made effective.

Many of our bankers believe that the savings depositor, because he gets a little higher rate of interest than other depositors, should take this as his compensation, and in liquidation should take his chances with the rest of the creditors; and others feel that as bank failures are relatively few, savings deposits are safe enough under present conditions. These are perfectly reasonable arguments, but it seems to me that they fail to recognize two broader aspects of the question; one, the advantage to the community of the encouragement to thrift, which arises out of the confidence that savings are equally and especially safe in whatever bank they may be deposited; the other, the advantage to the banker, of the stimulation of deposits which such a confidence engenders. Are not the interests of the banker and the depositor inseparable? What is against the interest of the depositor is, in the long run, against the interest of the banker. What keeps away deposits keeps away profits, and, conversely, what increases deposits increases profits, and we should remember that while the loss or impairment of his deposit may be an inconvenience to the commercial depositor, to the savings depositor it is generally a calamity.

These, then, are the real reasons for the special investment of savings deposits:

- (1) The advantage to the wage earner from the increased incentive to thrift which it provides.
- (2) The advantage to the community from the increased supply of capital.
- (3) The advantage to the banker from increased deposits.

The objections seem to divide themselves into two classes: first, the real; and, second, the imaginary.

There seems to be one real objection to the working out of segregation—namely, the danger that unwise investment legislation may drive money out of communities which originated it, and which need it for their development. This is a danger which does not seem to have yet appeared in the various segregation States, but it might readily occur should unwise legislation seek to impose upon the banks and trust companies an unsuitable standard of investment. Pennsylvania, for example, has a savings bank investment law which is so rigid that I believe very few of its savings deposits, even in the mutual savings banks, are invested under it, and it is easy to understand and sympathize with the anxiety of Pennsylvania bankers lest this rigid law should be made compulsory for the savings deposits held by their State banks and trust companies. The Law Committee of the American Bankers' Association, after a thorough discussion with the bankers of the country, is convinced that no investment law for savings deposits is practicable, which to any considerable extent either takes money out of communities originating it, or out of channels in which it is now properly employed. They are agreed that a legal regulation of savings investments not only should not, but need not result in either. They believe that no uniform investment law for the country at large is practicable, and that State legislation on the subject should merely attempt to crystallize into law the best banking practice within its own borders, and to obtain for the savings deposits what are recognized as the best investments available locally.

None of the existing segregation laws seem to have had the baneful effect which many anticipate. Any well-constructed investment law, which while it may *permit*, should not *compel* the investment of funds out of the region originating them. In Massachusetts, with whose investments I am the most familiar, I estimate that of the \$800,000,000 in the mutual savings banks, at least 80 per cent. are invested within the State. I doubt if many of the trust companies present have a much larger percentage than this invested within their respective States.

When we progress from a discussion of the principle, special investment, to a discussion of the plan, segregation, we almost inevitably leave behind the real objections and begin to deal with the imaginary; for the plan, segregation, has been practically worked out in several States, and many hundred millions of savings deposits are getting along very comfortably under it. But those who oppose segregation delight in portraying the chaos it would produce, and I heartily know which part of the picture to take up first.

Perhaps the highest light falls on the assertion that segregation means nothing less than the segregation and special investment of *all interest bearing deposits*. This is such a preposterous suggestion—such a frail man of straw—that I should not think it worth speaking of were it not for the persistency with which it is paraded. The basis for it seems to be this statement which I will quote verbatim. "The Monetary Commission classify all interest-bearing deposits, whether on book, certificate, or otherwise, as Savings Deposits."

In this statement the wish has been doubtless, the father to the thought, for it has no foundation in fact. Let me read to you the classifications of the Monetary Commission. (Reads excerpts from report of Monetary Commission.)

No segregation law contemplates any such sweeping segregation, and of course any of those present who live in segregation States know perfectly well that "all interest-bearing deposits" are not segregated.

Our Committee found that in Michigan, as well as in non-segregation States, some of the savings accounts were large, running as high as \$50,000 to \$75,000. Clearly these are not the kind of accounts for which we are interested in having special investments, and the bankers frankly admitted that if they desired, they might properly establish by-laws limiting the size of deposits they would receive in their savings departments.

The next bugaboo which the opponents of segregation present is the necessity, and at the same time the difficulty of defining savings deposits, and they close their discussion with this crushing epigram: "If men were deposited—not dollars—even heartless bankers could dis-

criminate and segregate." But the fact is that no definition seems to be necessary—at least in only one of the segregation States does the law contain a definition. In the others, several hundred millions of savings deposits are segregated without any definition whatever, and, although it is urged that the courts will require an exact definition, yet the segregation laws of both New Hampshire and Michigan have been carried to and upheld by their highest courts without any need on the part of either the bankers or the judges for a precise definition of a savings deposit. The fact is that in practice the need of a definition is only at the time the law first goes into effect, and the savings deposits are first segregated. As soon as the savings department is created, and such by-laws as the bank desires are adopted for it, all deposits go naturally to their appropriate department, either commercial, savings or trust, and no confusion whatever arises.

But as the average banker has been represented so often by these gentlemen as incapable of telling which of his deposits were savings deposits, the Law Committee, in obtaining the views of the members of this Association last spring, after discussing at some length their views of what constituted a savings deposit, asked the bankers the following question:

"Could you determine which of your deposits, whether on pass-book or certificate, would be classified as savings deposits?"

Twenty-seven hundred and one banks answered this question, of which 80 per cent. said that they could determine which of their deposits would be classified as savings deposits. Having thus established the intelligence of our bankers, it seems to me unnecessary, as such a large percentage of you already know what savings deposits are, to dwell longer on this subject.

Another phantom which they raise is that commercial depositors would soon leave a banking institution which received savings deposits under a law which gave savings depositors a first lien on their own assets, and a general lien in case of deficiency on the general assets, thereby constituting them secured, although not preferred, depositors. Of course, no such thing has happened, and it reminds me of the predictions freely made in Massachusetts at the time the law permitting savings banks to issue industrial life insurance policies was passed. It was said that the people would be alarmed and would withdraw their money from any savings bank which issued insurance policies. The fact is that the two banks which have taken up the plan have been among the three or four banks which have shown the largest increase in deposits. The same thing seems to be true in some of the segregation States. In Michigan, for example, the State banks with segregation have shown a far greater ratio of increase than the national banks without segregation. I received the other day a printed financial letter dated August 25, 1912, from a national bank in San Francisco, in which the following paragraph occurs:

"An interesting situation has developed in Los Angeles where the Clearing House banks, finding that the savings banks and trust companies were attracting too large a proportion of depositors' money, have determined to counteract this tendency by offering to pay interest on time certificates of deposit."

From which it does not appear that the segregation law in California is driving depositors out of the State banks and trust companies.

Again, it is foreseen by the prophets of the opposition that segregation will lead inevitably to banks either discarding all interest-bearing depositors, or, on the other hand, discarding all of its active depositors. The promoter is soon to be at work in the extraordinary field, which will be offered for the creation of purely commercial banks. In this connection it is interesting to note that this was the exact condition prevailing in many parts of California four years ago. The Commercial Bank and the Savings Bank, separate institutions, operated side by side, or even in the same banking room, for the bankers at their State Convention voted almost unanimously for the enactment of a segregation law which permitted the savings and the commercial banks to unite and operate as one, which showed a tendency exactly the reverse of what some would have us expect.

Again, one might almost think that a savings deposit, unless it were invested in the note of a manufacturer or merchant, was a curse to the bank and the community which held it. Does any one think that the mutual savings banks of New York with their fifteen hundred millions of deposits invested in mortgages and bonds, are a blight on the State? Would our Pennsylvania friends tear down the mutual savings banks of their State because their funds are not used in commerce and trade? But the mutual savings banks are not the only ones which are guilty of the crime of investing in mortgages and bonds. Are not the trust companies of Pennsylvania untrue to their calling when they carry a larger proportion of their assets in mortgages and bonds than in loans and discounts, according to the statistics of the Monetary Commission? And is not the same true in other States?

But I am not going to discuss the question of what are proper investments for savings deposits: first, because we have not the time; and second, because the investment question is a purely local one, principle general, and what might be practicable in one section would be wholly unpracticable in another. Here in Michigan 50 per cent. of the savings must be invested in mortgages and bonds; 15 per cent. held as reserve, and the remaining 34 per cent. may be invested as the directors see fit. The Massachusetts law, which is cited as anathema by the opponents of segregation, permits one-third of the savings deposits to be invested in commercial and collateral loans, and compels the balance to be carried either in cash or in mortgages and bonds.

But the imagination of the gentlemen has not confined itself to rattling the dry bones of the segregation skeleton. We are indebted to it for some personal characteristics as well. Those who favor segregation are, they say, "amiable gentlemen who live and revel in the midst of theory, but whose feet never touch the ground of practice; dreamers who imagine the cackle of their burg to be the murmur of the world." Gentlemen, we are met to-day in Michigan where segregation has been practiced partially for nineteen years and fully for three years, and the Michigan bankers like it. Here segregation stands firmly on the ground of practice. Here the theorists are the opponents—not the advocates of segregation. May they be amiable, may they enjoy their misty revels; and since they are sometimes forced into Latin quotations to adequately express their feelings, may I say to them in closing: "Si monumentum quaeris circumspecte."

The President: I thank Mr. Jay for this very able presentation of the affirmative side of the question, and we will ask Colonel James, President of the Easton Trust Company, Easton, Pa., to present the negative.

Mr. Robert E. James, President Easton Trust Company, Easton, Pa., then read the following paper:

SEGREGATION OF DEPOSITS, BY ROBERT E. JAMES.

Mr. President and Gentlemen of the Trust Section:

Your time is too limited to attempt to discuss the matter under consideration in anything like detail. I shall not attempt to do so, but shall endeavor only to present a few of the salient points which in themselves ought to determine the fallacy of the entire proposition.

I shall not refer to the great inconvenience which would be occasioned to each banking institution by the adoption universally of this plan; I shall not discuss the enlarged expenses which would naturally follow its adoption; I shall not take up the revolution which it would cause in the practice of banking throughout the United States; neither shall I, except casually, refer to the adverse results to the banker, occasioned by the new relation between him and his depositors. All these matters are fruitful topics for investigation, and each head bristles with objections to the plan as proposed by the gentlemen who advocate its adoption.

The first and insuperable difficulty in this entire matter is the absolute inability of the proponents of this plan to define "Savings Deposits." They have abandoned any real effort to define "Savings," and in the report of the law committee to whom this matter was referred they say, "Precise definition is difficult, perhaps impossible." And again they say, "The committee is convinced by talking with them that most bankers know which of their deposits are 'Savings,' and that it is not necessary to define them by law."

Notwithstanding this inability, they propose to erect on this infirm foundation a new system of banking; a foundation which moves at every pressure in any direction, which has neither determinability nor stability; and in consequence, any structure upon such base must be of the frailest character, and subject to every wind that blows.

If you propose to control "Savings" by statute, you must define "Savings." There must be a clear line of distinction between "Savings" and any other class of deposits. The statute must be sufficiently clear for the courts in any case of contest to define and distinguish. If this is not done, the courts will not enforce such a statute. "Savings" in New England means deposits in a Savings Bank. Everywhere else the word "Savings" means money saved, without reference to the character of the deposit, or the character of the depositor; without reference to the amount, whether small or great; without reference to any possible form of deposit, and much less without any reference to any limitation of time or interest increment, or any other feature. The courts, if they find anything, will find "Savings" to be such deposits as are distinguished from active, commercial deposits, and, in fact, the Monetary Commission has included under the term "Savings Deposits" all deposits other than active commercial deposits, and the total so-called "Savings Deposits" as reported by the Monetary Commission, is the total in each State, and in the United States, of all deposits other than active commercial deposits. It will not be possible for the courts to minimize this total. In the report of the Monetary Commission we find that of the fourteen billions of deposits in the United States, almost seven billions, or practically one-half, are denominated "Savings Deposits," and the other seven billions are denominated commercial deposits. These figures, however, are not correct, because they omit from the savings deposits all that great mass of deposits held by National Banks payable on demand upon which interest is paid, and which should be deducted from the commercial accounts and added to the so-called "Savings Accounts," the result of which would be that the total of so-called "Savings Accounts" would exceed one-half of the total deposits of the United States.

If the proposed plan were a plan for segregation or the separation of deposits of different character, there would be little opposition, but what is called by these gentlemen a plan for segregation is not so much a plan for segregation as it is a plan for investment, and the grave difficulty in this whole matter is the difficulty of restricted investments. It can readily be seen that if one-half of the total deposits of the United States are to be placed in restricted investments, the difficulty before the banking fraternity would be of an insuperable character, and it is easy further to see that if one-half or more of the deposits of the United States are to be placed in the restricted class of investments, such as bonds, mortgages, etc., that there will be such deficiency of funds for the ordinary commercial purpose, as everywhere to stop the wheels of progress and cause an industrial depression and destruction greater than anything heretofore experienced, or which can now be conceived of.

Under these conditions, let us inquire:

First, what the effect of the proposed plan for segregation would be upon the banks, and

Second, what the effect of the proposed plan for segregation would be upon the various communities and upon the country at large.

As to effect on banks:

First, all interest-bearing deposits of every character whatever, when received by any institution, National or State, Trust Company or capitalized Savings Bank, under the plan shall forthwith be invested in a restricted class of securities, and treated in all respects as required by this proposed plan.

For the purpose of illustration, permit me to use the data of your sister State, my own Commonwealth, because of the fact that I happen to be more familiar with the statistics than I am with those of other States.

In Pennsylvania, the Monetary Commission, after investigation made, declare in their tabulated and published statement that there are five hundred and twenty millions of savings deposits. This statement is short of the fact. There are at least \$600,000,000 of what would be called savings deposits under the law, which these gentlemen now propose to impose upon us.

Of this amount, \$165,000,000 is now held by mutual savings banks, of which there are only eleven in existence in the State, seven of

which are in Philadelphia and one in the city of Pittsburgh, the other three of minor importance.

In Pennsylvania, then, with a total of interest-bearing deposits amounting to \$600,000,000, if we deduct \$165,000,000, being the amount of deposits in mutual savings banks in that State, we have a result of over \$400,000,000, subject to the provisions of this plan of segregation and investment.

Four hundred million dollars, an amount greater than the total so-called "individual deposits" in all the national banks of Connecticut, Delaware, Maryland, Virginia, West Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi and Louisiana combined.

An amount greater than the total of individual deposits in all the national banks of Kentucky, Arkansas, Tennessee, Michigan, Montana, Wyoming, New Mexico, Idaho, Utah, Nevada and Arizona combined, and almost equal to all such deposits in all the New England States combined, and yet these gentlemen would regulate these vast interests while taking lunch.

In the so-called proposition (see note 2 on page 16 of bill fixing investments) they recommend that in each State the investments should be such as provided by the law for mutual savings banks.

In Pennsylvania, mutual savings investments are limited to United States bonds, State and municipal bonds, and first bond and mortgage.

Imagine, gentlemen, if you will, the enactment of this bill as proposed, and the requirement that in Pennsylvania four hundred millions of dollars must be taken from the ordinary channels of trade, and all the securities or loans represented by that \$400,000,000, converted and then replaced in United States securities netting two per cent., and somewhat upwards, or in State bonds, or in municipal bonds now netting four per cent. or less, or in bonds and mortgages, and contemplate the condition that the Keystone State banks and people will have fallen upon. Business would be shaken—credits must be withdrawn, wheels must be stopped. Interest rates will oppress the business borrower. Municipal and Government bonds would be at such figure as to make it impossible to net more than 3 per cent. on investments, and every bank in the State of Pennsylvania would, as a last resort, be scrambling for first mortgage bonds, which might offer a little larger rate.

And then imagine the Pennsylvania banker endeavoring to realize a sufficiently large sum to pay the current expenses of his institution—to pay a reasonable dividend upon his capital invested, and to pay a three per cent. rate at least to his depositors, and yet, *Nomine mutato, haec fabula de te narratur*. The Law Committee says several States are in the same predicament as Pennsylvania.

It will be readily seen that a large proportion, indeed, the greater portion, of a bank's deposits must be withdrawn from current loans, from discounting, from commercial paper of any character, and invested as above. This means that the bulk of the bank's deposits must be taken in the first place from its use in the community where the bank is located; second, that it must be invested, probably abroad, the bank seeking the great cities of the East or of the Middle West to find the character of new securities required by law. It means that the rate of income, discount, or interest, which probably in former conditions realized from 5 to 7 per cent. for the bank, must be abandoned, and that a very much less rate, possibly not exceeding 3 to 3½ per cent., dependent upon the character of the investment, and also the premiums required, would be realized from such investment.

It means that the bank with an income of one-half or a greater amount of its deposits, not exceeding in gross 3½ per cent., must pay its current expenses, declare a dividend on its stock, and pay, where interest is paid, at least 3 per cent. to its depositors. A mathematical proposition which ought to reach any banker's mind and attract his attention.

It is easy to see that banking under such circumstances would be impossible. The profits that might be made from the business of the active side of the bank would not meet the absolute loss constantly accruing on the savings deposit side of the bank. By reason of the liquidation of this large amount of deposits invested at home, in home business paper, as the case might be, and its reinvestment in a class of securities which probably would promptly find itself unable to meet the home demand for loans, the bank would be compelled to deny its business depositor the accommodations he was accustomed to getting, because of the fact that they were short of funds. The customer would speedily find a new bank to deal with and the business customer and depositor would be lost to the institution. That is to say, the bank's ability to take care of its customers and the business in its locality would be reduced probably not less than one-half by the stroke of the pen which would approve such a law.

Again, in what amount would this be likely to affect the banks? Our New England friends speak of this matter in a very light mood, as though what they call "Savings Deposits" were insignificant in amount, yet an examination of the statistics shows that in almost every State in the Union, the so-called savings deposits equal or exceed one-half of the total of all deposits. The Monetary Commission has ascertained that "Savings Deposits" include practically all of the classes of deposits I have mentioned above, and in classifying the different kinds of deposits I find that the total called "Savings Deposits" of the Monetary Commission is approximately the total of all these different classes of deposits which I have mentioned above.

It is fair to say that the Law Committee of the American Bankers' Association has seen some light on this phase, and say: "The investment standards of many States seem to be impracticable in operation; as, for example, those of Pennsylvania, Missouri, Indiana, Wisconsin, Minnesota, and West Virginia."

Again, how would this proposed plan affect the State as a business community? The withdrawal of a great percentage of the deposits of all the banks from local investment and the sending of such funds to remote points for investment would immediately put upon merchants, industries, etc., etc., the necessity of paying in whole or in large part their loans to the banks. It would debar them in large degree from ability to discount their current paper. It would make it impossible for the general mass of merchants and business men to obtain sufficient accommodations for their business in their own State; would compel them to go abroad to endeavor to get some portion of the money back to the State, by borrowing what was sent out of the State under the process of this law; and if their credit, which while good at home might not be established abroad, was not sufficient to

enable them to obtain such loans, it would mean the closing of the doors of the industrial plants, the abandonment of business by the merchants, and the cessation in large degree of every useful activity which goes to build up a State. It would be a mistake to imagine these statements to be either exaggerations or not founded upon facts. Any gentleman who will take the trouble to analyze the conditions, understand the statistics and use his grey matter for a very short period will see that the effect upon the business interests of the State would, necessarily be ruinous.

Take the illustration of an industrial institution. Manufacturers as a rule are depended for a certain proportion, and usually a large proportion, of working capital upon their ability to make loans from the banks or upon their ability to discount their business paper promptly, thereby securing from the earnings of their business sufficient funds to renew the output from time to time as required. Under this method their loans in part would have to be called and they would have to settle. Their discounts would have to be largely diminished, because the banks would not have the money. Employees would be put in a seemingly hostile attitude to the conduct of the business, for this reason, that under present conditions the factory pays out large amounts for labor. The laborer monthly pays his household expenses and other current bills and prudently puts the rest into the bank for the rainy day. The bank takes the aggregate of these deposits, re-loans it to the factory or discounts the factory's bills, and these moneys make an unbroken chain, benefiting the factory, benefiting the laborer and benefiting the bank and all persons allied to any one of these classes.

Under the proposed law, as soon as the laborer's money goes into the bank, notwithstanding he has earned it in the community, and notwithstanding the industries of the community depend upon it for continued assistance, and notwithstanding the laborer's interests are all with the factory which supports him, yet the bank is compelled by these wise doctors to take his money and send it to New York, Philadelphia or Chicago and buy Government bonds or State bonds or other securities, the result of which is that the funds deposited by the laboring class or the artisan class, whether in small or in large amounts, is forcibly taken from the community where it belongs without benefiting the depositor, and bring distress, if not worse, upon the whole business community.

These conditions are so apparent and plain that it needs merely the mention of them to convince a reasonable mind that the plan is a plan of a theorist and can receive no encouragement from the practical mind, that depends upon its toil for its living, and that knows that in order to live it must directly or indirectly give aid to the employer, who offers the opportunity for labor.

Again, this lack of funds so occasioned in any community necessarily will raise the rate of interest, and the extra moneys must come from abroad. This will not only be a hardship upon the manufacturer and the borrower, or the discounter, but will have the effect of making the large bond houses, the brokers' houses of the great metropolitan cities, a clearing house, or place of exchange, upon which directly or indirectly every rural community in the United States will depend for funds in order to conduct the modest business which heretofore they have conducted with the funds of their own community in their own way. Perhaps there is method in the great interest taken by some metropolitan bankers in urging this scheme.

I think I have heard somewhere something unpleasant said about Wall Street. The present banking system, with its reserve requirements, its lack of short time domestic bills and the consequent flood of idle money to New York, has made and maintains Wall Street, and the provisions of this bill will double its iniquities.

It is difficult to conceive of a greater condition of financial entanglement and distress than must necessarily follow the taking of large amounts from a community where it has been earned and properly belongs and sending it to some other locality for them to farm out at an advanced rate of interest, leaving the community to which it rightfully belongs destitute and prostrate.

It is apparent, then, that thinking along these lines it can be demonstrated that to the banker, the manufacturer, the merchant, the professional man, the artisan, the laborer—to everybody in every community—this new process of business methods would be injurious, distressful and destructive. These features alone are of danger to the banks, and the danger to the community from the enactment of any such bill ought to be enough to make every banker give heed and not treat this matter as a mere academic discussion for the amusement of an idle hour. Segregation is one problem; investment is quite another, and yet they couple the two and try to force results. The end must be disaster.

You cannot divorce the individual from the community. Mutual assistance is the only key to prosperous community life. Adapt yourselves to new conditions, but do not expect the millennium to-morrow.

American banking is a popular growth from the soil of popular need. It is not an experiment or product of greed. It is ruled by experience, and controlled by public demand. It is the finest exhibit of morality in business, and the most notable illustration of fidelity to trusts. It is greatest in the efficiency and honesty of its agents, and weakest in the weakness of its statutory control. It has built up communities, and communities have given it faith and strength. It has built up a great nation by its integrity, its adaptability, its wisdom and its power. It will always tread where wisdom leads, but will not follow a will o' the wisp. It will not tear down what it has builded at fancy's call, nor go back to the weakness of childhood and be garbed in swaddling clothes at the beck or nod of those who do not understand or appreciate its virtues.

Let those who wish to revolutionize beware lest they merely destroy. An accurate understanding of local conditions and community needs will broaden views, eliminate fancies and conserve the best. The only merit in the proposition is separation. Restricted investment is the only panacea in crude banking. Modern methods and moneyed capital have long since relegated these primitive methods to the junk heap. Capital skillfully employed is a vastly better security for a depositor than respectability. The financial world moves forward, not backward.

The President: The Chair suggests that the nominations of the Committee be closed and that the Committee, if they desire, retire, so that they can bring in the names before the adjournment of the meeting.

I have allowed the invited speakers a little more time than was allotted, and I will have to confine those who discuss this question to the five-minute time. I do not want to offend any one, but I will have to ask that, as our time is passing.

Mr. J. C. Drake, Los Angeles, Cal.: Mr. Chairman and Gentlemen of the Trust Company Section, I did not expect to make any remarks whatever, and am not prepared for it, and will ask your time-keeper to cut me off when I reach my five-minute limit. But after the remarks on both sides of the question, I feel that I am going to stand five minutes any way, and especially having come in from that far distant State known as California, and where the interpretation of the law was given to you by one of the speakers. It happened to be my unfortunate duty to be one of the members of the State bankers who worked with the State Legislators in forming that law. We made a special effort by increasing the compensation of the Superintendent of Banks' salary to \$10,000 per year to get a practical banker to interpret the law. We had a clause in the law that a man must have five years' experience in banking and at least three years to be in our own State. When it came to the politicians they scratched out the qualifications and we were landed with a politician for Superintendent of Banks. That has been the most hurtful thing to the carrying out of the bank law of that State which requires segregation. My institution was one of the first to adopt or adjust itself to the new method of keeping its books, and we were at once confronted with the question of stopping making commercial loans in order to arrange the segregation. The whole gist of the business is it is difficult to get a logical argument on either side by reason of the want of strict definition of "Savings Account." The legislators want us to see that the deposits of the poor are better protected than the deposits of the rich. The national laws do not permit national banks to loan on real estate and various other well-known securities, nor called long-time loans, which has caused the State banks to make such rapid progress in our country.

Each State should be permitted to designate and define the character of investments best suited for its own community.

The segregation has come to California to stay there. Its defects are due to the fact that we open the door to so-called "Savings Accounts" in excess of the places in which they can be invested. We have the competition of the national bank desiring to get more funds because the inducement to deposit is greater, as they are permitted to withdraw it by check.

It has always occurred to me that one of the proper definitions for "Savings Accounts" was a fund deposited which could not be withdrawn by check or on demand or except upon presentation of the pass-book.

Mr. F. J. Wade, St. Louis: May I ask the Chairman a question? What do you regard a certificate of deposit?

Mr. Drake: A certificate of deposit is a loan to the institution for that length of time.

Mr. Wade: Not a savings account?

Mr. Drake: Not a savings account. That is an investment of the rich man. We have no such people with us.

Now, if we want to legislate for the poor, we should define the amount they are permitted to deposit as a "Savings Account"; then we will get the best rate and can carry investments accordingly. My time is up, gentlemen.

Mr. John G. Reading, Williamsport, Pa.: It seems to me, gentlemen, that the subject should be dropped for two reasons: First, because the Committee of the General Association reported to the Council of the Administration that it was a practical impossibility to secure segregation of deposits in the States generally of the United States, and that suggestion or recommendation on their part was adopted by the Council of the Administration. Therefore, so far as this Committee's report is concerned, it has ceased to be a practical question, in addition to which, the Chair having ruled that no motion would be made for its adoption after this debate, it has ceased to be a practical question. It is one purely of theory, and it is purely of theory notwithstanding the fact that Michigan, New Hampshire and various other States, California included, may have segregation laws for the reason that none of them has been put to the test. Not one of them. They are precisely in the situation that the bank guarantee law in Oklahoma was before that bank in Oklahoma failed. It was a beautiful theory, but it fell down at the first time it was put into practice. And so this segregation of deposit is a theory, and it is absolutely nothing but a theory. And upon what is it based? Upon a demand by the people for the segregation of savings deposits? Absolutely no. No one ever heard of a depositor coming in and asking to have his savings deposit segregated as to assets and investments. Not one of them. And no one ever heard a man or woman come in and say, "I am a poor man; I am a poor woman; therefore, I want my deposit put in some separate investment and separate place and kept in a different box." It is not in response to a demand from the public any where. It is absolutely a response wherever it has been adopted, a response to a theory. Now, what is it, and upon what is the theory based? Upon the anathema of American politics, and you may talk until you are tired and you will get no definition of saving deposit that does not have upon it this earmark, namely, that there is a class of people who put their

money in banks or trust companies who ought to be distinguished from every other class. It is precisely the same vile thing that appears in our politics when the laboring class, for instance, says we must have different legislation from that which applies to the capitalistic class. That is the only appeal of segregation of deposits, emphasized upon the class distinction, and class distinction is the last thing on earth that a true patriotic American ought to be willing to foster, now or ever. We are all alike. I don't mean to say that our color is the same; I don't mean that our adoniments are the same; but in the eyes of the law we stand upon the same footing, or we are not really a democratic republic, and in our legislation with reference to this financial question we should abolish rather than foster the institution of this abominable anathema of class distinction.

Mr. Jay: Mr. Chairman, the remarks of the last speaker make me feel that the imagination is very generally developed in Pennsylvanians, for he has put into the mouth of our Committee a recommendation which we never dreamed of and never made. He said that we have stated in our report that segregation could not be adopted throughout the country. May I say that our early recommendation, and this was adopted by the Executive Council, was the following: "That at the next meeting of the Association in Detroit an entire session be allotted to the discussion of segregation of savings deposits." And that this recommendation, through his efforts and those of others, was tabled. (Applause.)

Mr. W. F. McCaleb, San Antonio, Texas: I cannot sit here and hear a gentleman give utterance to the expressions which are entirely apart from the vital subject before us. The last speaker, for instance, attempted to say that the question of segregation of savings from commercial accounts is a question of class. I cannot see that he knows at all. The man who cannot conceive of there being two special forms of accounts, one savings and one commercial, it strikes me is afflicted with a species of disease that I shall not attempt to analyze. (Laughter.) We have in Texas, for instance, a savings law where there is segregation of the account. A man comes in and says, in my bank, for instance, "I want to open a savings account." He is then given the instructions or rules guiding him in the case, and that is a definite savings account, and we have laws controlling the investment of our savings account. Now, then, the banker in this day faces the postal savings bank and who faces the guaranteed laws in five several States of this country who still sits by and says, "We are not going to segregate the account or offer better security of deposits," is sitting in the dark. Whether or not you approve or whether or not you believe in it, you are certainly on the march towards the segregation; you are certainly working toward the guarantee of security on certain classes of deposit, and when a man comes and says, "I want to open a certain class of account," you are going to open it for him. That is as inevitable as progress along any line. It is inevitable and you cannot avoid it, and I say to you, gentlemen, every one of you bankers, when you face the propositions in the future of postal banks in every city, and a dozen of them, perhaps, in your own immediate town, you are up against the proposition of segregation or guaranteeing or securing of deposits, and your individual depositors are going to come along that line and put their balances in those banks, and they will buy the bond and take over the funds.

Mr. Weed: May I ask a question? You have a segregation in Texas for savings account?

Mr. McCaleb: We have.

Mr. Weed: You have separate investments for savings accounts?

Mr. McCaleb: Yes.

Mr. Weed: Are you allowed to invest in commercial paper?

Mr. McCaleb: Not in our savings deposit; our savings funds are always invested in the first mortgage.

Mr. James: Then, if your money is sent here, you have it sent back for industrial development.

Mr. McCaleb: We have not reached the point that industrialism enters into our affairs to any extent. When we come up against that proposition I hope it will work itself out as it will work itself out in every community, as in the entire industrial system.

Mr. James: May I ask if you know anything about the industrial conditions or financial conditions in Philadelphia?

Mr. McCaleb: My dear fellow—

Mr. James (interrupting): I beg your pardon; I am not "Fellow."

Mr. McCaleb: I beg your pardon. I meant to say, I could not possibly absorb as much knowledge of Pennsylvania conditions as the Honorable Speaker.

Mr. James: I think that is correct.

Mr. McCaleb: Entirely correct.

Mr. Clarence T. McNellis, Chicago: Have you to-day a surplus in your savings bank department that you invest in savings bank securities?

Mr. McCaleb: We have a distinct surplus, and carried as such as protecting the savings department.

The President: I regret to have to call the time.

Mr. Goff: Mr. President, here is Mr. Julius H. Haass, one of

the Detroit bankers, who has just come in, and it is very interesting to me to get the practical experiences of those who have had experience operating under this principle of segregation. I, therefore, ask the Chair to call upon Mr. Haass to give us the experience in Michigan, if he would.

The President: Mr. Haass. Would you like to hear from him?

Mr. Julius H. Haass, Detroit, Michigan: I haven't very much to say, Mr. Chairman, except that the segregation law has worked out in Detroit not through any political motives, I think, because it was through popular demand owing to a failure of a bank here in the city in 1902 in which in the commercial department there was a lot of over-certifications, and that was the Old City Savings Bank. The Savings Department was doing business legitimately and undertaking to buy bonds and mortgages according to the State law. They had a certain segregation law but it was not made as firm as to-day. Politics did not seem to have anything to do with it, but the savings department through the decision of the court were somewhat tangled and uncertain, but they paid the savings deposits separately and paid them more on the assets they knew were invested from savings deposits. The law was afterwards strengthened, and in the Michigan Law the savings deposits are invested in mortgages and—well, I think you know all about how they are invested, and it is not necessary for me to say that.

A delegate: Go ahead.

Mr. Haass: They are invested in mortgages and bonds. That is to say, 51 per cent. of the assets. And 15 per cent. in cash, or over, and the balance in collateral loans on commercial paper. Now, the assets and cash and bonds are entirely separate. If the bank should fail, why, the savings deposit and the savings loan are there. We liquidate those according to your law; your commercial loan and capital and surplus which is invested is also separate. If there should be any choice in the savings bank investments, it will share equally with the commercial deposits out of the capital investment, and so on. And it would seem to me all savings investments are made in a little different character—workingman's money. I don't think that is class legislation. In your commercial department you make loans on credits to business houses and the loans are to a certain extent different, in other words, unsecured loans—business houses require loans and keep balances therefore, and the business, while I don't say it is safe, I like commercial paper very well, but it is in a different class than the loans of a savings department. The assets, however, are quicker, but they are not always collateral loans. Loans on securities, and they are not mortgages. And we consider our real estate mortgages in this city as a prime asset when properly picked out. My experience in Detroit for 25 years while I have been here, since 1889, and I think if a bank should fail to-day you could segregate these savings loans. They are marked plainly on your books, the banking department examines it and sees that it is done plainly, and you could liquidate the savings department separately. That is about all I have to say.

The President: Thank you very much.

Mr. James: I understand, that 49 per cent. of your deposits that are invested are either in actual cash or represent local investments, called "demand" or "short time investments."

Mr. Haass: We can't do that.

Mr. James: As to 49 per cent., they may be of that character.

Mr. Haass: Yes.

Mr. Thomas W. Swan, Amsterdam, N. Y.: I should like to say a word. I am interested in the discussion and come from a rural community and have done business for several years in the suburb not in the city, and I want to know how this segregation law would affect the business of banks in medium size cities, say, 25,000 or 30,000 population. That would depend greatly, of course, upon the securities in which the investment of the savings account have to be made. Now, if the investments are classified according to the Savings Bank Law of New York State, would it not tend to make the Trust Companies Savings Banks, and would it not be difficult for the Trust Companies to compete? They could not compete on the same basis with national banks, they not being under this law, and I don't see how it would be fair to the Trust Companies to place them under such a law unless some legislation were taken nationally at the same time, for national banks, put them in the same class and having them invest in the same class of securities. It seems to me if such a law affected Trust Companies it might have a tendency to drive Trust Companies into the ranks of national banks. It would simply make the Trust Company another savings bank.

And referring to the remarks of Mr. James, of Pennsylvania, it would seem as though it would tend to bring those investments into a class of securities which would not benefit the community. I have in mind a city in which the accounts are kept in several national banks. They don't pay a cent's worth of interest, because they simply cater to the commercial business, and the savings bank is paying the savings accounts. That doesn't work very well for the accounts, because they are accumulating quite a lot of money—more than the national banks have—and that money goes outside of the State for

investment, and in consequence several business men, many of the larger ones, have to go to New York for their balances for their operation, and the Trust Companies working under this segregation law would be simply turned into a class of savings banks and would not help the cities in the least, whereas the Trust Companies operating in that town paying interest on deposit would have the deposit which might be used in the further development of the city.

Mr. Kauffman: Just one word. General Hancock was ridiculed throughout the country in 1880 when he said tariff was a local question. He was not so far wrong, I believe, judging from the general agitation of a politician of the country to-day. It seems to me the question of the segregation might be very largely taken as under General Hancock's mind. The laws and conditions that apply to the New England States that have for years been working under mutual savings bank laws differ entirely from conditions in Western and newer communities. Take the State of Washington, that State from which I come, Tacoma, with some nineteen million dollars of deposits. Fully one-third are savings deposits and would come under the straight definition of Mr. Jay. Without referring at all to the savings deposits evidenced by certificates, I refer particularly to deposits placed and evidenced by savings books. The State of Washington has nearly two hundred millions of deposits to-day. There is not a bank in that State, scarcely one, whether it is a State bank, Trust Company, private bank or national bank, that does not maintain a savings department issuing pass books governed by rules and regulations such as are used in practically every savings bank throughout the country. Of the 180 millions or 190 millions of deposits of that State, the vast bulk of it goes out through the development of that great and prosperous farming country and the building up of communities. We need that money there and the investments are made locally. The laws that might apply to Massachusetts cannot at the present time apply to Washington. It seems to me that is a question wherein every State, every locality, must work out as the individual has to in his own or its own salvation. I believe that the future will ultimately determine that question. I don't believe that this is a question that this Section of the American Bankers' Association or that the American Bankers' Association itself has a right to endeavor to thrust upon any particular section of the country a law that will affect disastrously the interest of that Section. It seems to me that ultimately these matters will adjust themselves, but until they do and until that time comes I don't believe that it is wise for this Section of the American Bankers' Association or the Association itself to do much to put itself on record or to have a Committee to endeavor to carry through and force upon the various communities of the country a certain definite uniform method of this particular character.

Mr. Wade: It seems that the proponents of segregation savings deposit place their guidance and theory upon the fact that the poor man is to be protected. It is to protect the savings account because it comes from the rank and file of the people of this nation and country, and nevertheless if we will take the history of the state bank or the national banks where there is no segregation but where there are savings accounts, they will find the percentage of losses less there than they will find in the old fashioned, New England savings bank, if they applied to the doctrine of value to their assets at this present time. Much has been said about national banks not loaning on real estate, and therefore a different institution. Examine the reports of the Comptroller of Currency and you will find that the national banks of the United States have more loans on real estate or more money invested in real estate than the trust companies. More than 20 per cent. of their capital is tied up in the very worst form of investments—real estate. And again take an institution such as I have the honor to represent, we have commercial accounts and we have savings accounts and we have certificates of deposits and we have a national bank as an adjunct. If I get a particularly slow loan and there is no place to segregate it, it would be segregated to take care of the poor people. If I get a particularly accurate piece of paper or short term real estate loan, I throw it in to the rich so if they want the money they can come around and get it. Now, gentlemen, you are dealing with a problem which I don't believe was ever intended should be taken up by the Trust Company Section of the American Bankers' Association. You are sending at the expense of my institution and others a committee through my State that don't understand conditions to tell us how we should conduct our business, when we have never lost a dollar doing as we are. You come up here and your committee makes a report in a very facetious and sarcastic way criticising us because we have the temerity to express what we believe to be an honest opinion. But they don't give you the reasons which we give them for opposing their views.

You take in Missouri, or take the line of demarcation of States in the United States West of the Missouri River and east of the southern side of California and there won't be one bank, savings bank, in Boston but will have more savings banked than that whole vast territory put together. And I tell you, there is not a distinctive savings bank in the State of

Missouri. Why do you want to come and put up new laws against us who have built up at our expense and put our money behind the savings account, not as they do in New England, the many savings institutions but where we have put millions of capital and surplus earnings to protect the savings accounts. Why do you want us to segregate it? I am free to confess I would welcome it because every institution has slow loans. We have a building which we run. It could go into the segregated accounts. We have 880 thousand dollars invested in it, 10 per cent. of our savings account. We will say that is segregated, with every slow bond and with every slow piece of real estate among your active assets; if you are good bankers and good keepers of savings accounts, you will keep the active stuff to meet the other conditions.

Mr. Dinkins: Segregation is a very dry subject, and I think it is rather fortunate than otherwise that it should have some personalities this morning to enliven it. The opposition to segregation, it seems to me, is a good deal like a speech that a very distinguished American delivered once. He said: "The rich are not the poor. Men who have no children and no wives have no family." One gentleman from Washington said: "We don't want you to take the money that is needed to develop Tacoma or Seattle and invest it in bonds issued by Wall Street, a firm down in Wall Street." Nobody who advocates segregation, at least no member of a committee who investigated the matter of segregation, wants to do any such thing. The first speaker stated definitely that segregation was a general matter and affected all banks, but that the investment of the segregated funds was a local matter, and all he advocated was that we should enact into law, crystallize into law the custom of the best banks and bankers in the various States in which savings deposits are to be segregated from general deposits. Here, in Michigan, they invest part of the money in commercial paper; in Massachusetts they invest a portion of the segregated in commercial papers. So it seems to me that the opposition to segregation, those who oppose segregation, they present an appearance a great deal like the colored man who was directed one night to go on an errand, which took him by a graveyard, and his employer found he had not gone and he asked the reason and the man told him about the graveyard. "Why?" he says, "you certainly don't believe in ghosts, do you?" "No, boss, I don't believe in them, but I'm scared of them."

Mr. James: May I ask the gentleman a question?

Mr. Dinkins: Certainly.

Mr. James: In your illuminating argument on ghosts I apprehend that—

Mr. Dinkins (interrupting): Ghosts come out in the dark and are not illuminating, Mr. James. (Laughter.)

Mr. James: May I ask that question? You say this is a local matter and that in the matter of investment it is a local matter which you don't make any claim for, name no pretense to claim for, do I so understand?

Mr. Dinkins: No, sir. I said that the question of segregation was a general matter, but that the question of investment was a local matter and that the Committee had only suggested that such laws be passed as would crystallize the present custom of the best bankers in their communities.

Mr. James: The difficulty, perhaps, is a question of investment. You see, they have one law in Massachusetts, another in Michigan, one for Louisiana, or hope to get one, you have not got it yet; one law for New York, where they hope they are going to get one, have not got it yet; and another law in Missouri. The matter is not confined to State institutions. It is just as applicable to the national as State accounts, for the national institutions which cover the whole broad country. You are going to have one system of investment for those institutions, and if the system by the mere act of Congress differs from the system by the Legislature of the State of Michigan, the State institution is either going to have an advantage over the national institution or it is going to have a disadvantage. How are you going to reconcile those things?

Mr. Dinkins: Mr. James, that question came up at every meeting that the Law Committee held, that same question. It is an old story.

Mr. James: Will you be kind enough to elucidate it?

Mr. Dinkins: Yes. The way that will be handled is a good deal like we will handle national trust companies if they ever come to be. The national government will adopt as law in one state the laws of the trust companies and the savings banks of that state; not a very difficult thing to do.

Mr. James: That is as clear as mud.

Mr. Goff: Will you yield to me just a minute?

Mr. Dinkins: Yes.

Mr. Goff: In view of the fact we have two further copies assigned for discussion and it is now 12 o'clock and we have yet to receive the reports of the Vice-President and to proceed with the election of officers and directors, I move this discussion be closed in ten minutes. Will that afford ample time?

Mr. Jones: I second the motion.

Mr. President: The motion is made and seconded. All those in favor make it known by saying "aye;" opposed, "no."

The motion was carried.

Mr. Jones: This is a meeting of the Trust Company Section, and it seems to me that the interest of this Section in a

general sense is to restrict this discussion to subjects that are especially germane to trust companies. I know of no trust companies in this section that are clamoring for a law of this kind. I find a great many defects to this segregation. I won't put it in Latin but there is a maxim that says it is a good policy to keep your sickle out of the other man's grass, or a Spanish proverb that you must not try to cut your leather out of the other man's hide. There is nobody in this Section advocating this law, and if we were to say that certificate of deposit which in character, in my city at least, are about the same as the savings that come from the same class of people, and the banks of St. Louis have as many certificates of deposit as the trust companies have savings—we haven't and trust companies clamoring for savings of that kind, but the banks who would not be affected by it think it would be very nice to have it applied to the other fellow; if we would say that with this segregation of savings there should also be a revision in the law so that time certificates of the banks should be segregated in the same way, this discussion would end and we would hear no more of it. I think from the standpoint of the trust company we can adjust these matters in our own State. We have the suggestion of segregation in our own State and the trust companies there are opposed to it—all are—and we should dislike very much to be met in the legislature by a recommendation of the Trust Company Section of the American Bankers' Association. The work of this Section should be educational, but it should not be the policy of a Section to seek to force legislation out upon trust companies upon subjects that are applicable exclusively to trust companies. This question affects the savings banks more than it affects us, and I move that at the close of the discussion the report of the committee be received and the committee discharged and I make this motion with the highest respect for the gentlemen who have been on this committee, and profound regard for Mr. Jay, but Mr. Jay's institution has no savings to segregate. It is a charming altruistic proposition from a number of these gentlemen, but those affected should have the right to determine the question. I make a motion now to be considered at the end of the debate that the report of the committee be received and the committee discharged.

Mr. President: I would state to the gentlemen that there is no committee and there is no report. It is simply a question brought up at the suggestion of some of our members for discussion so that the motion is unnecessary as there is no committee.

Mr. Cooke: While the general question is under discussion it may be interesting to hear one remark from Missouri. There is one trust company in Missouri that believes in this question of segregation. The institution with which I am connected had a few years ago a very large volume of savings deposits. It seemed wise to segregate it as to the liability and the assets. It was not possible to have them segregated in our own institution under the Missouri law, so we evolved a trust company to receive the savings. Consequently there is therefore one institution in Missouri whose deposits are savings only. The difficulties of doing this in other institutions, however, it seems to me to be somewhat exaggerated. It has been done under the law of the State of Kansas for certain purposes along the lines stated by Mr. Drake. That statute mentions the limits within which the accounts are to be considered savings and the limits of interest that may be paid on those accounts, and, in addition, as Mr. Drake suggests, you could go further and state the funds may be paid upon the production of the pass-book. Then you have a good definition.

Mr. Gray: Mr. Cooke, do you say you have your savings segregated?

Mr. Cooke: Yes. Organized a separate trust company.

Mr. Gray: And you own the stock of that company?

Mr. Cooke: The Fidelity Trust Company owns half the stock of the Title & Savings Trust Company.

Mr. James: What kind of trust do you administer in that particular trust company?

Mr. Cooke: We administer none.

Mr. James: Why do you call it trust company?

Mr. Cooke: Have to, because there is no practical savings bank law in the State of Missouri. I haven't time here to go into the reason why. There is a savings bank law in the State of Missouri, but no savings bank has ever operated under it except one which failed in six months. They had to operate under the savings bank law.

Now, if I am not exceeding my time, I should like to refer to one objection mentioned here this morning which includes the possibilities along the line of segregation of deposits. It seems the gentleman who raised this question did not push his analysis far enough. He said when a workingman walks into a bank he does the same thing a business man does when he walks in and makes his deposit. He does not. He is wrong. It is no more the same thing than to ship a carload of cattle and shipping a carload of coal. You get different vessels. If you ship cattle you get one class of car and if you ship coal you get an open gondola. There is no more danger in creating class distinction by segregating savings accounts in State banks than there is by establishing separate savings banks. (Applause.)

Mr. Jay: May I be permitted to add a word? It has been suggested by a number of those who have spoken that our Law Committee was advocating the passage of a law in various States, going into States and advocating the passage of a law there. For the Committee I want to deny such suggestion most emphatically. My Committee, which includes two of the members of your Executive Committee, were instructed by the Executive Council to investigate the subject and to report the views of the Committee, as well as the views of as many members of the Association as we could gather. We made such report. We made no recommendations whatever in it except the subject shall be discussed here at Detroit, which the Executive Council decided to table.

The President: Gentlemen, under the motion passed the discussion is closed. The next subject is also of interest to many of those present—"The advantages of co-operative publicity of trust company functions." What is your pleasure in reference to this discussion? It is now 12 o'clock.

By a Delegate: I move the discussions be continued for one hour.

The President: Is that seconded?

Mr. Dinkins: I amend that motion and suggest we discuss it for thirty minutes.

The President: Is that motion seconded?

Motion seconded.

The President: All those in favor make it known by saying "aye"; opposed, "no."

The Chair is unable to decide. I will ask it again. The Chair thinks it is lost.

We are ready for discussion on "The Advantages of Co-operative Publicity of Trust Company Functions." What will you do with it?

A Delegate: I think the only thing we can do is to pass it up, and I offer that motion.

The President: If there is no discussion of that we will take the third subject, "Annuities and Pension Funds for Employees." Is there any discussion of this subject?

A Delegate: I move the two subjects be referred to the Committee again. Motion seconded.

The President: You have heard the motion. Those in favor make it known by saying "aye"; opposed, "no."

Motion carried.

NEW MEMBERS OF THE EXECUTIVE COMMITTEE.

Mr. Ralph W. Cutler, Hartford, Conn.: Mr. President, your Committee, having collected the names presented, begs to submit the following names to serve until 1915: Uzal H. McCarter, President of the Fidelity Trust Company, Newark, N. J.; Herbert A. Rhoades, President of the Dorchester Trust Company, Boston, Mass.; John W. Platten, President of the United States Mortgage & Trust Company, New York City; Sam W. Reyburn, President of the Union Trust Company, Little Rock, Ark.; E. D. Hulbert, Vice-President of the Merchants' Loan & Trust Company, Chicago, Ill.

Mr. Jones: I would like to move that the Secretary cast the ballot expressing unanimous sanction of the Trust Company's Section that the rule be suspended, being the unanimous sentiment of this Section for the election of the gentlemen named.

The motion seconded.

The President: The motion is made and seconded. Is there any objection? Without objection, the Secretary is authorized to cast the ballot for these gentlemen.

Mr. Philip S. Babcock, Secretary: The Secretary casts the ballot as instructed.

The President: The next on the programme is the general discussion. Is there any subject that any member would like to bring up at this time for the discussion of the Section? If not, the next is the roll-call of States.

I want to say, in explanation of this, gentlemen, that it was very much hoped by the Committee of Arrangement that there would be ample time to hear from the Vice-Presidents of the different States. This roll-call embraces a call now of forty-odd States, and what is your pleasure in reference to it? There are a great many men as Vice-Presidents who came upon invitation of your Section prepared to make a report of conditions of Trust Company affairs in their own States. If they have prepared a paper they have been asked to hand it in, and upon notice, have a right to discuss the conditions in their States for five minutes. I make this plain so all may know the conditions of this roll-call.

Mr. Dinkins: I move that the roll-call be suspended and the various Vice-Presidents be requested to send in reports.

Motion seconded.

The President: The motion is that the roll-call be suspended and the various Vice-Presidents hand in their reports. Those in favor make it known by saying "aye"; opposed, "no."

The motion has been carried.

ELECTION OF OFFICERS.

The election of officers is next in order. Nominations. The President and Vice-President are nominated from the floor of the Section.

Mr. Oliver C. Fuller, Milwaukee, Wis.: I desire to nominate

for the Presidency of this Section the gentleman whose active, earnest and effective work in behalf of this Section for a number of years past entitled him to recognition as our leader at this time, and whose charming personality has endeared him to every member of this Section who has come in contact with him since his membership, and I refer to Mr. William C. Pollon, of the Bankers' Trust Company of New York City, whom I nominate for President.

Mr. Jackson: I desire to take great pleasure in seconding the nomination of Mr. Pollon.

The President: Are there any other nominations?

Mr. Jackson: I move the nominations be closed.

Motion seconded.

The President: Gentlemen, you have heard the motion. Those in favor say "aye"; opposed, "no."

The motion is carried.

Mr. Fuller: I move the rules be suspended and the Secretary be instructed to cast a ballot of election of Mr. Pollon.

Motion seconded.

The President: You have heard the motion, gentlemen, those in favor make it known by saying "aye"; opposed, "no."

The motion is carried.

Mr. Babcock: The Secretary reports the ballot has been cast for the election of Mr. Pollon to the Presidency.

The President: The President appoints Mr. Fuller and Mr. Cutler to escort Mr. Pollon to the Chair.

Gentlemen, your new President.

It gives me a great deal of pleasure, sir, to welcome you on this platform and confer to you all honors of the position and turn over to you the affairs of the Section.

Mr. Goff: Mr. President, may I have just a moment, President Fries, before you retire?

Permit me to say a few words on behalf of the members of the Section. Fourteen years you have served this Section with distinguished fidelity and zeal. The records of the proceedings of our Association will confirm that you have ever stood for the highest ideals, for the best standards, standards that make for trustworthiness in the administration of Trust assets in the highest sense of the word. High honors have been conferred upon you—the highest in the gift of this Section. They have come to you not by self seeking, but as a recognition for your faithful service.

A very agreeable duty has been commissioned to me, to present to you on behalf of the members of the Section a slight token of their appreciation for your services, which it is the trust and wish of us all may be cherished by you even down to the sunset days of life as a remembrance of our affectionate regard. (Unveils loving cup.)

Mr. Fries: This is a difficult speech to make. I am—my feelings got the better of me. My heart is full of thankfulness and appreciation.

Mr. Pollon: Mr. Chairman, Gentlemen, and members of the Trust Company Section, this is one of the happiest moments of my life, and I thank you sincerely for the great honor you have shown me by electing me the President of the Trust Company Section. I promise you that I will do everything possible to make the coming year as successful as have been each of the past 15 years since the organization of this Section, and I know that this can be accomplished only with your earnest support and co-operation.

Again I thank you.

The President: It is now in order to nominate members for First Vice-President of the Association for the coming year.

Mr. Dinkins: I desire to place in nomination a man of conspicuous ability, a good lawyer, a good trust company man, a good citizen and a man who is well qualified to make presentation speeches, Mr. F. H. Goff, of Cleveland.

Mr. Sullivan: Mr. Chairman, I take very great pleasure in seconding the nomination of Mr. Goff. In doing so I know that I not only express the sentiment of the Bankers of the City of Cleveland, the home city of Mr. Goff, but I also express the sentiment of the entire Banking Fraternity of the State of Ohio.

And I am sure that Mr. Goff—I have known him well and favorably for many years—will faithfully and intelligently discharge every duty incumbent upon the position for which he is nominated, if you elect him here to-day.

I move, as I am on my feet, that the rules be suspended and the Secretary cast the vote for the Section as a whole.

Mr. Fuller: Second the motion.

The President: You have heard the motion, gentlemen. All those in favor say "aye"; those opposed say "no." The motion is carried.

Mr. Babcock: The Secretary reports that he has cast a ballot for Mr. Goff for Vice-President of the Section.

The President: I announce that Mr. Goff has been duly elected the First Vice-President of this Section for the ensuing year.

Mr. Goff: Mr. President and gentlemen, I am deeply grateful to the Section for the honor conferred upon me. I feel under personal obligations to my fellow townsman and fellow banker, Colonel Sullivan, for the kind things he has said of me. I will undertake to do my utmost for the service of the organization.

The President: I will say that the first meeting of a new Executive Committee will take place immediately after the adjournment of the Convention. Will the members of the Committee please remain.

The by-laws of the Trust Company Section provide that where the State delegations have not already elected their Vice-Presidents for the various States for the ensuing year that the Executive Committee shall elect such Vice-President. We will be very glad to receive any nominations that the members of the various States may make for this office of Vice-President of the various States.

The President: If there is no further business before the meeting, a motion to adjourn will be in order.

THANKS TO DETROIT.

Mr. J. J. Sullivan, President Superior Savings and Trust Company, Cleveland: Mr. President, it seems to me it would be proper for us before the motion to adjourn to place our-

selves on record expressing our thanks to the banking fraternity of the city of Detroit, and I offer this resolution:

Resolved, That the thanks of the Trust Company Section of the American Bankers' Association are due and are hereby tendered to the banking fraternity of the city of Detroit and to the newspapers and the citizens generally for the many courtesies and warm hospitalities which have been tendered to us and which we have been the recipients of during our stay in this beautiful city.

Mr. Dinkins: I second the motion.

Mr. President: You have heard the motion. All in favor of Mr. Sullivan's resolution signify by saying "aye"; opposed, "no."

The resolution is unanimously carried.

Mr. Goff: I move we adjourn.

Motion seconded.

The President: All in favor say "aye"; opposed, "no."

Motion is carried.

The Convention stands adjourned *sine die*.

SAVINGS BANK SECTION

AMERICAN BANKERS' ASSOCIATION

Eleventh Annual Meeting, Held in Detroit, Mich., Sept. 11 and 12, 1912

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The Postal Savings Bank and the Banks.

BY THEODORE L. WEED, Director of the Postal Savings System of the United States.

After an agitation that lasted for all of forty years the postal savings bill became law on June 25, 1910.

The successful organization of the Postal Savings System and the rapid extension of what has been called "the poor man's bank," was one of the important events of the year immediately following. On January 3, 1911, the Postmaster General opened depositories experimentally at a single post office in each one of the 48 States and Territories then existing in continental United States.

Within a year after the conclusion of four months' experiment with these offices 12,000 additional depositories were designated, including the 7,500 important post offices of the presidential class. Additional offices will be selected at the rate of 1,000 a month.

The receipts at 6,000 of these depositories are being deposited in local banks, which also receive the funds from the remaining 7,000 offices situated for the most part in small places where there either were no banks or none willing to qualify. The total amount to the credit of depositors of the System on September 1 is estimated at \$23,200,000. This sum stands to the credit of about 270,000 depositors, or an average of about \$85 for each account. The figures given do not include \$1,314,140 that have been converted by depositors into postal savings bonds.

It is needless to remark that the deposits are radically influenced by the restrictions contained in the Postal Savings Act, limiting the amount that may be deposited by one person to \$100 a month and restricting the total balance receivable from one depositor to \$500. It has been already demonstrated that the amount of money which the Postal Savings System causes to be withdrawn from banks is a negligible quantity, and that a very great proportion of the millions now on deposit represents money that would never have found its way into any bank. Practically speaking, therefore every dollar deposited by the Postal Savings System in the banks of the country is so much gain in deposits. This being true, it is clearly to the interest of the banking institutions to encourage and stimulate this new branch of the Federal Government. The present limitation on deposits in the United States is much lower than in nearly all

of the European countries, although the per capita wealth and average income here are much greater.

Many foreign countries place no limitation on the amount that may be deposited in the postal savings bank; others, although having a limit on deposits, place it much higher than \$500. In Italy, Holland, Belgium, and Sweden and several other countries there is no limit on the amount that may be deposited, but it is provided that no interest shall be paid on the deposits in excess of a certain sum. When the postal savings bank was established in the Philippine Islands by the American Government this plan was adopted, and I believe that the next step taken in the development of the Postal Savings System in the United States should be the amendment of the present law, so as to do away with the limitation on deposits, with the proviso that no interest shall be paid on any sum greater than \$1,000. The proviso would remove all incentive for the transfer of accounts now deposited in banks, and would at the same time enable the System to receive large sums of money now hoarded by persons who will not avail themselves of the ordinary banking facilities, and to whom the question of interest is an unimportant consideration. If the law is modified in this manner I am convinced that when the System is fully established many millions of dollars now in hiding will be added to the circulating medium of the country and become useful in the channels of trade.

Instances of the inconvenience to patrons and loss to the Postal Savings System and to the banks from this unfortunate restriction might be multiplied indefinitely. The exact amount of deposits refused has not been recorded, but it is certain that the total amount aggregate millions. At Philadelphia, in the space of four months, during which a partial record was kept by the postmaster, \$25,000 was refused. Such occurrences are reported almost daily from every part of the United States, most frequently from rural and mining districts and from city stations located in foreign settlements. The sums offered range from slightly in excess of the limitation to \$20,000, an amount that was once offered in a Western town in the form of canvas sacks containing long-unused and tarnished coins. The sources from which this money comes and to which unfortunately it is now being re-

turned by the hundreds of thousands of dollars are not the banks, but the homely hiding places of timid people unfamiliar with business and financial institutions. If the Postal Savings System could receive this money and the vast amount that has not been offered for deposit because of the limitation, the circulating medium of the country would be benefited to the extent of many millions, and the System would be in a position to perform a very important mission in times of panic when usually confidence is lost in the ordinary banking institutions. In such cases, it is reasonable to assume that frightened owners of savings and other accounts will withdraw their money from banks and deposit it with the Postal Savings System, by which it will be at once redeposited in the banks and made available for their use.

The Postal Savings System, as organized by Postmaster General Hitchcock, is essentially American, conceived in America by Americans and put into operation by them. The experience gained from observation of the European systems was of value, in that it taught us what was good to adopt and what was good to avoid. The result is we have a homogeneous system carefully wrought out, fitted to the especial needs of America, to its vastness, its progressiveness, its desire for promptness, its intolerance of needless delay.

The Postal Savings Act provides that the funds received shall be deposited in solvent banks that are organized under national or State laws and subject to national or State supervision and examination, it being stipulated that the word "bank" shall be held to include savings banks and trust companies doing a banking business. It is provided that the sums deposited shall bear interest at the rate of not less than $2\frac{1}{4}$ per cent. per annum. The Board of Trustees has fixed the rate at $2\frac{1}{2}$ per cent. per annum, which is uniform throughout the United States. As security for the safety of such deposits and their prompt repayment on demand, banks receiving the funds are required to deposit such public bonds or other securities supported by the taxing power as the Board of Trustees may prescribe, approve and deem sufficient and necessary. The Board has divided into three classes the bonds considered to be acceptable for this purpose. The first class includes bonds of the United States, the Philippine Islands, the District of Columbia and Porto Rico. These are received at their par value as security for deposits. The second class includes bonds of any State of the United States and those of the Territory of Hawaii, which will be received at 90 per cent. of their market value, not to exceed their par value. The third class comprises bonds of any city, town, county or other legally constituted municipality or district in the United States which meet certain requirements. These are received at 75 per cent. of their market value, not to exceed their par value.

It will be observed that no bonds are acceptable except such as are supported by the taxing power, this being a requirement of the law.

Of the \$53,000,000 in bonds now on deposit with the Treasurer of the United States to secure postal savings deposits, 69 per cent. are municipal, 14 per cent. United States, 12 per cent. State and 5 per cent. territorial.

The question will at once occur: What method is provided for apportioning the postal savings funds to the banks desiring to receive them and how is the amount which each bank receives ascertained? This is determined by the Postal Savings Act, which provides that:

"The funds received at the postal savings depository offices in each city, town, village, and other locality shall be deposited in banks located therein (substantially in proportion to the capital and surplus of each such bank) willing to receive such deposits under the terms of this Act and the regulations made by authority thereof, but the amount deposited in any one bank shall at no time exceed the

amount of the paid-in capital and one-half the surplus of such bank."

Under this provision the Board of Trustees has no authority to select any particular bank in a locality as a depository for the postal savings funds, but all banks located in each city that are eligible under the law are entitled to qualify and receive deposits in proportion to their capital and surplus. In many of the smaller cities only one or two banks have qualified, but in the large commercial centers so many banks have applied to receive the funds that their proper apportionment has become a somewhat complicated feature of the System's administration. For example, the postal savings deposits of the Chicago post office are now deposited among forty banks in that city in proportion to their capital and surplus. Thirty banks have qualified for the funds of the Philadelphia office and nineteen for the receipts of the New York office. In a number of other cities there are between ten and twenty qualified depositories among which the funds must be apportioned.

In order to prevent the embarrassment that would result from a continual readjustment of those apportionments owing to application from new banks, the Board of Trustees decided that after the first apportionment of funds had been made in any given locality no other banks should be allowed to qualify except on the first days of the months of January, April, July and October, it being required that applications shall be received before the 15th day of the months preceding those mentioned.

An apportionment of postal savings funds applies in the case of each bank only to funds deposited after the date on which it qualifies. Were it not for this regulation injustice would be done to the banks first qualifying as depositories through the transfer of what would frequently amount to a large portion of their deposits to banks which were not willing to receive the money while it was accumulating. Obviously it would be unfair to permit a bank to wait until the accumulated deposits amounted to a considerable sum and then on qualifying to demand the transfer of perhaps the greater part of the account which had been built up at more or less expense to the banks that have co-operated with the Postal Savings System from the beginning.

Now a word as to the procedure followed in bringing the System to the attention of banks as the service is extended. On the designation of a post office as a depository it has been the practice to send a letter to each eligible bank in the community where the post office is located, enclosing copies of the regulations explaining the operation of the System, and a blank form of application. On return of this form properly executed showing that a bank is eligible under the law and is in a solvent condition, the application is approved and the bank is requested to forward the necessary security direct to the Treasurer of the United States, who passes on the acceptability of all bonds so tendered. The minimum initial amount of security that will be accepted from banks qualifying for the funds of first-class post offices has been fixed at \$5,000, face value. In the case of second and third class offices the minimum amount is \$1,000, while small country banks located in towns having fourth-class post offices are permitted to make an initial deposit of bonds to the amount of \$500. Several banks in the larger cities now have over \$300,000 in bonds in the hands of the Treasurer, and hold over \$200,000 each of the postal savings funds, with the deposits growing steadily. On acceptance of the necessary security the Treasurer of the United States issues a formal receipt in duplicate, one copy of which is sent to the bank and the other to the Board of Trustees. The postmaster concerned is then directed to begin depositing in the bank to the maximum amount for which it has qualified.

All deposits of postal savings funds are made to the

credit of the Board of Trustees, Postal Savings System, except an amount designated as an emergency credit for use by each postmaster in meeting withdrawals by depositors when he has insufficient funds on hand for that purpose. The amount thus fixed for each office is deposited by the postmaster to his official credit in a depository bank especially designated for the purpose and is subject to his official check as postmaster. In the case of withdrawals the emergency credit is replenished from the next receipts and is thus maintained at the maximum authorized.

The law provides that if no bank desiring to receive the funds exists in any city, town or locality, or if none will receive such deposits on the terms prescribed, the funds shall be deposited in the qualified bank most convenient to the locality concerned. In such cases the postmaster is instructed after depositing the amount of his emergency credit in the designated bank to remit his subsequent receipts to the postmaster where the depository bank is located, who includes them for deposit with his own receipts. This procedure lessens the labor of the depository banks in acknowledging remittances from outlying offices and maintaining separate accounts with them.

In the operation of the System it frequently happens that one bank receives the deposits of several post offices which in some instances amount to but little, although in the aggregate they represent a considerable sum. Under such circumstances it is necessary for the bank to deposit bonds to secure the anticipated receipts from each of these offices. It sometimes happens that the aggregate amount of bonds that a bank has on deposit is out of proportion to the funds received, because as a matter of administration it is necessary to assign a certain amount of security to cover the Emergency Credit Fund of each office. A plan is now under consideration by the Board of Trustees, which, I feel sure, will meet with its approval, whereby the Emergency Credit as a separate account will be abolished and all funds deposited to the credit of the Board of Trustees. Funds received at offices situated in towns where no local bank has qualified will be forwarded for deposit to a postmaster where there is a qualified bank. Under this procedure a bank now holding the accounts of several post offices will deal only with the local postmaster, who will be authorized to withdraw from the account of the Board of Trustees not to exceed a definite sum in any one calendar month, which will be sufficient to meet withdrawals not only at his office, but at those of postmasters depositing their funds through him. Under this plan it will be possible to fix the amount of bonds which a bank is required to deposit with the Treasurer of the United States at a sum that will be in proper proportion to the deposits that the bank receives. As a further result of this change a bank will be required to keep but one account and to submit but one monthly report of postal savings transactions, no matter how many postmasters may be depositing funds with it indirectly.

Time will not permit of a further discussion of the details of administration, but I wish to refer briefly to a few questions of interest that have arisen in the operation of the System. The Federal Act provides that a bank to be eligible to receive postal savings funds must

be organized under national or State laws and subject to national or State supervision and examination. The laws of the States of Arkansas, Mississippi and Tennessee were found to provide for no State supervision and examination of banks, and banks organized under the laws of those States are ineligible to qualify as depositories. The laws of Kentucky, although providing for supervision, did not require the examination of banks, but the difficulty has since been remedied by the enactment of a comprehensive banking law in that State. In California, Wisconsin, Michigan, South Dakota and Massachusetts laws were in force prohibiting any bank from pledging its assets as collateral security for deposits, and these restrictions naturally prevented banks in those States from qualifying under the law. The Legislatures of California, Michigan and Massachusetts have by recent legislation removed this obstacle so far as the Postal Savings System is concerned. In the remaining jurisdiction State banks are permitted to qualify by depositing securities owned individually by their directors or stockholders. The law is held to contemplate the deposit of funds in banks that are incorporated or clothed with the essential attributes of corporations by virtue of legislative sanction. Private banking firms are therefore not eligible to receive the funds. Savings banks may qualify unless prevented by State restrictions, but as the deposits in any bank must not exceed the amount of its capital and one-half its surplus, mutual savings banks having no capital stock are limited to the receipt of deposits to the amount of one-half of any surplus fund that may have been accumulated.

Many depository banks have asked if they may advertise as United States depositories. By long usage this term has become understood to refer to a bank that has been designated by the Treasury Department as a depository for public moneys of the United States. Banks are informed that there is no objection to the use of the expression "United States depository for postal savings funds" to indicate that they have qualified to receive such deposits.

Under the regulations interest on postal savings funds deposited with banks is payable semi-annually. At first, interest was computed on the average monthly balances; that is, on the average amount held by a bank on the last day of each month within an interest period. This method was thought to be simple and effective, but was found to be inequitable on account of the steady increase of deposits during a month. In order to remove any ground for complaint on the part of the banks the regulations were changed and interest has since been computed on the average daily balances; that is, the average amount on deposit each day during an interest period. While this method of computation necessarily involves a large amount of additional work in the central office, the Postmaster General was glad to make the change which has proved to be a more accurate basis for computing interest and one that seems to give general satisfaction.

In conclusion, gentlemen, let me assure you on behalf of the Postmaster General that the officers of the Department will always welcome an opportunity to co-operate with the bankers of the United States in promoting the welfare of the banks as well as of the Postal Savings System.

European Land and Rural Credit Facilities.

By EDWIN CHAMBERLAIN, Vice-President San Antonio Loan and Trust Company, San Antonio, Texas.

My subject is so large and wide-reaching that I cannot hope to do any more than to touch on a few of its chief points of interest in the brief time assigned to me.

The movement to finance the farm and improve the rural credit system of the United States owes its inception to Hon. Myron T. Herrick, now Ambassador to France, who championed the idea by speech and pamphlet some three or four years ago. This interest originating from his experience as president of one of the largest institutions of that nature with over sixty millions of deposits, "The Society for Savings," Cleveland, Ohio, a mutual organization without stock.

It has spread over the country, and capable and enthusiastic advocates in almost every State are devising ways and means to supply the American farmer with money on easy terms of repayment, equitable interest, and give mobility and fluidity to real estate mortgages. No financial question of recent time involving the common welfare has of a sudden enlisted such strong and disinterested support as that which is now backing this movement. The National Council of Commerce at Washington has indicated a decided interest in it. The International Institute of Agriculture at Rome, with representatives from over fifty countries, the United States now being represented by Hon. David Lubin of California, is devoting much of its efforts to issuing valuable literature regarding it. Hon. J. B. McKinley of Illinois has introduced a bill in the House of Representatives for Federal appropriations for one of its objects. Hon. A. J. Gronna of North Dakota has introduced another bill in the Senate for the appointment of a commission of three experts to make an investigation of European methods. I understand that this bill was passed in the Senate by an unanimous vote.

The Southern Commercial Congress is urging the legislatures of each State to provide for the expense of two delegates to a general committee for the same purpose. The leading political parties have indorsed the movement.

President Taft is mapping out a definite campaign for government action with the assistance of Ambassador Herrick; and I bring to you to-day the direct assurance from the Ambassador that wherever the United States or any duly authorized and accredited body is prepared to study the rural and land credit systems and institutions, which have proved so effective in the most enlightened nations of Europe, their officials will see to it that every courtesy and kindly aid shall be granted to facilitate the research.

Such is the marvelous headway gained by this movement as a result of the appointment of the standing Committee on Agricultural and Financial Education and Development by the American Bankers' Association at New Orleans last year upon the motion of Ambassador Herrick and his earnest efforts.

Although the movement is now advancing by leaps and bounds, it cannot reach its consummation any too soon. The United States, with all its natural resources and the superior intelligence of its people, is backward and retrogressive in agricultural affairs. Farms by the thousands have been abandoned in the older States. Vast areas of arable lands lie untouched by the plough in the South and West. Irrigation, drainage and reclamation projects that could supply sustenance to millions are undeveloped. Reckless methods of cultivation have robbed the soil of its creative values. The price of foodstuffs has been so enhanced that complaints are heard on all sides of the unbearable cost of living.

The time has arrived for action. It is altogether fit and proper for bankers, like ourselves, to consider if the financial system is in any way at fault, and responsible for the situation, and if such be the case, devise some means to remedy the troubles that have arisen.

In the United States there is no company, national in its scope, that makes a specialty of farm mortgages; nor is there any credit arrangement especially adapted and devoted to the American farmer. The landowner or the farmer, if he wishes to borrow, is confined to the restricted money market of his immediate vicinity. The latter is receiving, through the Agricultural Department of the Federal and State Government, the fullest information regarding the best methods to follow to cultivate his farms, but one of the most important needs, that of capital, is greatly lacking.

This works well enough in some of the older sections of the country, but in the great producing areas of the South and West there is a scarcity of money that is seriously felt, and I, for one, believe that if we should adopt good systems for farm credits and put in operation institutions to afford an outlet for farm mortgages the situation would be materially improved at once.

In Europe, particularly in those countries which are most prosperous from the agricultural point of view, such systems have existed for a long time, while securities, based on real estate, have been made as liquid and convertible as Municipal bonds. Germany and France furnish the best examples. I will employ the few minutes that now remain to the agricultural co-operative credit societies of Germany, the *Landschaften* of the same nation, and the *Crédit Foncier* of France.

The first agricultural mutual credit society was started in 1849 in Germany by Herr Frederick William Raiffeisen. He was a poor and humble burgomaster of the village of Weyerbusch, partially blind and so weak and sickly that he was forced to resign from the public service. But in spite of his poverty and bodily afflictions his energy and philanthropic devotion were unbounded, and before his death, in 1888, he had the satisfaction of knowing that the idea for Europe which he had struggled so long and hard for had taken root all over Europe and in various other quarters of the earth.

The pure, so-called "Raiffeisen bank" is simply a co-operative association in which all members bind themselves to be jointly and severally liable without limit for all the debts it contracts. The chief features are that the association is absolutely local—its membership and business being confined to a restricted neighborhood. Its officers and employees must be members and give their services gratuitously, except the cashier, who is allowed a small salary. The value of the capital shares is nominal, only small dividends are paid. Most all the profits are put in the reserve. The societies accept deposits from members and outsiders and have savings bank regulations as to withdrawals. They lend only to members and when they have no money on hand for this purpose they borrow on the collective guarantee of their solidarity and their reserves. The older banks that have accumulated more deposits and larger reserves than they need make investments in the open market, but always avoid speculation.

Loans may run from a month to ten or even twenty years. Mortgages are not uncommon, but personal credit is preferred with one or two sureties. Short time loans, i. e., those granted up to one year with possible renewals up to two or three years, are sometimes repayable by in-

stallments. Long time loans are invariably extinguished by amortization.

There is no delay or red-tape in getting a loan. The farmer submits his application to the board of management. Inquiry is made into the solvency or rather honesty of himself and guarantors, and as to what use the money is intended for. If all this is approved he gives his note, properly endorsed, to the association and receives the money. It is absolutely required that the loan be used for a productive purpose, and in the way specified in his application, under penalty of immediate recovery and his dismissal from the society. The dates of payment are so settled that the periods and amounts fixed agree with the probable receipts of the borrower.

Reckoned by averages, the size of these loans is insignificant, while each bank has only about \$445 of paid-up capital and 92 members. But the totals are stupendous. The 15,526 banks in 1910 had over \$500,000,000 of working capital, with which they made \$1,500,000,000 of loans.

Such are the simple working methods but enormous results of the small rural credit societies, which, as Kaiser William said to Ambassador Herrick, have brought prosperity to the Empire.

The business methods of the local banks need no further explanation, but the marvelous centralized system into which these units have been organized is elaborate and intricate. It took years to reach its full development, and before attempting to adopt it in the United States, careful study perhaps should be made in order to find out to what extent its success depends upon the peculiar habits, temperament and conditions of the German people.

In studying this question it must be remembered that Germany is the birthplace as well as the home of co-operation. There are co-operative societies for every conceivable purpose of production, transportation, preservation, and sale of agricultural supplies. They cover the Empire. There is one for every 2,600 of its inhabitants. They are grouped into federations. The largest one is the Imperial Union, to which most of them, including the credit societies belong. This centralization idea is also followed by the credit societies for themselves, and now there are thirty-five central banks and two general central banks in the Empire which equalize their funds and act as clearing houses for the whole system.

Co-operation in Germany was originally founded on the principle of self-help, but the State finally came to its aid. One of the general central banks referred to above was founded for this very object. The Province of Prussia gave it around \$19,000,000, with which it makes cheap advances to the federations; and these in turn lend money to the societies at interest below the market rate.

The entire system of agricultural co-operative credit of France is also aided by the State, and has been brought by law under the supervision and management of the National Government through a bureau of the Department of Agriculture, called "The Credit Agricole." In 1896, when the charter of the Bank of France was renewed, it was compelled to advance \$8,000,000 for the use of agriculture without interest and to pay in addition for the same purpose an annual tax of not less than \$400,000, but which, in fact, has amounted to \$1,000,000 in a year. This fund is distributed by the Bureau among regional banks who lend it to local banks at a rate that enables their members to obtain money at $3\frac{1}{2}$ per cent. per annum.

During my trip abroad I learned of considerable complaints against the French agricultural mutual credit system; the charge being that politics had crept in and favoritism was being shown in the distribution of the funds. But I heard nothing but praise for the German system. There is no doubt that the credit societies there are entirely adapted to the small peasant farmers of the

Empire. They are very accessible, work cheaply, grant loans at a low rate of interest, encourage thrift and prudence, afford a safe deposit for savings and have educated the rural population in the uses of credit. The interest rates vary in the different societies and countries, but it averages about $3\frac{1}{2}$ and 4 per cent. for all Europe.

In the early days banks were created simply by contractual agreement, but now wherever they exist they can be organized only under general laws which contain strict provisions for their inspection and methods of doing business. As you may know, Massachusetts has enacted a law authorizing the organization of mutual banks. The Province of Quebec in Canada also has a similar law, but farmers have not yet resorted to them there. Japan and Mexico are putting similar methods into effect.

Several failures have occurred among the co-operative credit societies in Germany. But the "Credit Agricole" in France has never lost a dollar, due to the fact the societies prefer to form on the unlimited liability plan. This has made them careful in selecting their members and in making loans.

Under the laws, too, a loan must be paid by the borrower or his fellow members promptly when it falls due, or steps are taken to dissolve the society. So there is no accumulation of "dead ducks" among the assets of a co-operative credit society, thanks to rigid State and Federation inspection.

The co-operative credit societies deal only with personal or rather "Character security." The loans, as I have said, are quite small. The money for them is obtained mostly from the savings and deposits of the more thrifty members. So they stimulate in purpose the building and loan associations of America and do not come in contact with general banking business except where large central banks have been formed, or the State has intervened with its aid.

The *Landschaften* of Germany, on the other hand, take only real estate security. They are, however, founded on the principle of co-operation. There are twenty-five of them in Germany. Five were formed directly by the State, nine were formed by the Provinces. The rest were formed voluntarily. Besides these, there are five private land mortgage companies that have adopted the *Landschaften* principle of co-operation. The only nation that has copied these peculiar German institutions is Austria-Hungary, where they are called *Boden-Kredit Institutes*.

The *Landschaft* is the most ancient form of a mortgage-bond company. The first one was formed in Prussia in 1770 by royal decree of Frederick the Great, who forced all the princely but impoverished landowners of that Province to combine together in order to obtain funds to rehabilitate their run-down estates.

A description of this first *Landschaft* will serve for them all. It is a syndicate of borrowers, an association of landowners who are jointly and severally liable without limit for all debentures issued by it. Its sole object is to obtain cheap and facile credit for its members. It has no capital and pays no dividends, all profits being placed to the reserve. It is financed by debentures. These debentures are secured first by the mass of underlying mortgages, next by the reserve and finally by the unlimited liability of its members, and the amount outstanding must never exceed the face value of these mortgages. They are made payable to bearer, have no fixed time for maturity and are recallable at the option of the association, which is done by lot. All loans are for long periods—30 to 75 years—and are gradually extinguished by half-yearly installments which include, with the interest, a portion of the principal under the amortization arrangement that is common all over the continent.

When a landowner joins the association his title deeds are examined, his property inspected and given an estimated value. Should he wish a loan it cannot be denied provided he complies with all the strict formalities re-

quired. The maximum is two-thirds and the lowest one-half of the appraised value. The procedure of granting the loan is cumbersome, but absolutely assures against frauds and mistakes. All expenses are borne by the borrower. When everything is settled he executes his note and mortgage to the association which gives him not cash, but debentures exactly representing his loan, which must be a first lien.

If waste is committed or threatened the association may take possession of the mortgaged premises. In the event of default it may levy on all personal property and sell the same simply by serving notice. If the proceeds of the sale be insufficient, it may then attach the land, and if its managers cannot get enough out of it to pay up the over-due installments, it may obtain an order of sale simply by showing the arrears from its own books. The court cannot go into the merits of the case.

The characterizing features then of all the old *Landschaften* are co-operative credit, unlimited liability of members and the right of the association to take possession of the property of a debtor and force a sale without resort to regular foreclosure proceedings. This legal anomaly is owing to the fact that the *Landschaften* are practically Government institutions, and their officers quasi-public officials endowed with judicial and executive powers on all matters between themselves and the members, and these members are subject to their orders and are bound under heavy penalty to perform all duties imposed upon them. Thus the business of the associations is transacted at the lowest cost.

In 1893 nine of the old *Landschaften* founded a central *Landschaft* to which eight still adhere. It buys the debentures of the Provincial ones, taking an assignment of the underlying mortgages and issues against them its own debentures, which find a ready sale in the international market.

The interest the debt pays to the *Landschaften* from $\frac{1}{2}$ to 1 per cent. higher than what their debentures yield. The highest return paid by debentures is 4 per centum. The total outstanding debentures exceed \$700,000,000. The proportion of these funds that reached farmers is not specified. The *Landschaft* of Saxony does a heavy business in farm mortgages.

The success achieved by the *Landschaften* in mobilizing real estate securities in Germany excited emulation in her adjoining neighbor, and brought about the founding of the "Crédit Foncier of France," the greatest land credit institution that ever existed. Its promoters discarded the principle of co-operation, but adopted the business methods of the *Landschaften*, and also obtained for it the privileges that made those associations so effective. It is purely a joint stock company, and its chief object is to earn dividends for shareholders, but it stands high in the favor of the people, and has done inestimable good in France and the colonies, while it has served as a model for similar concerns in all other European countries, and in several South American Republics. The role of a regulating establishment which the great central bank of France plays in regard to commercial credit devolves, in effect, upon the Crédit Foncier in the matter of real estate credit.

At the time of its formation land and rural credit facilities were in a bad shape in France. Agricultural societies and conventions, prominent citizens, and the Legislative Assembly had discussed plans of ameliorization and voluminous books had been written and projects proposed without number. The outcome of the agitation was a national association of persons most deeply interested who framed distinct proposals for the establishment of a land bank. Then the Government took up the matter, made an official inquiry of all projects, examined economists, financiers, public officials and lawyers, and appointed a commission to carry on the investigation and

make a report. The result was the enactment in 1852 of a general law for land mortgage banks, under which the Crédit Foncier was immediately formed.

This law provided for government control by the departments of Agriculture, Commerce, and Finance, and allowed the State and arrondissements to assist the banks by investing in their debentures. In 1854 the Crédit Foncier was given a monopoly of all rights under this law, and a subvention of \$2,000,000 as a guarantee fund. The Government also bought a quantity of its debentures and permitted the other political divisions of the State to do the same. Furthermore the original triple system of control by the departments of Agriculture, Commerce, and Finance was abolished. In place thereof a simpler form was substituted. The monopoly was not renewed, but it lasted long enough to put the Crédit Foncier above the reach of all possible competitors and start it on the highway of success, where year by year it has steadily advanced under honest and capable management.

The legal privileges that the Crédit Foncier enjoys and the safeguard that have been thrown around it are these:

1. Its Governor and two sub-governors are appointed by the President of the Republic.
 3. Three members of the directorate must be chosen from the chief officials of the Government treasury.
 3. It may use the Government treasuries for the receipt of its dues, and the deposit of its surplus funds.
 4. The taxes and stamps for registration and the transfer of its debentures are less than for others.
 5. Its debentures may be made payable to bearer and the courts cannot recognize any claims by a third party for these bonds, except only in cases of loss or theft.
 6. Trust funds may be invested in its debentures.
 7. The mortgages it holds are not required to be registered every ten years as the general law provides.
 8. By a special law it is afforded a cheap and speedy method of freeing the title to real estate of all possible claims of third parties. This proceeding is called "the purge," and when taken makes the mortgages absolutely prior liens.
 9. It does not have to resort to ordinary foreclosure for the recovery of a loan. The court cannot grant the defaulter any delay. The mortgaged property may be attached by order summarily obtained from the local civil court. If a dispute arises it is also forthwith decided by the court. During attachment it has the right to all rents and returns of the estate, subject only to that of the Government's and the court costs. It can proceed without attachment to sell the property after due notice is given and published, in the event that interest or dues are not paid, or if waste or deterioration occur, the sale being made at public auction at the civil court, or by the court's permission—at a notary public's office. The proceeds of the sale are handed over to the company up to the amount of its claim, no adverse claim being allowed. Installments paid to it by a debtor cannot be attached by order of any court in behalf of a third party.
 10. Its debentures may be issued payable to bearer and have no fixed time for maturity.
 11. Its debentures may be made repayable with prizes and bonuses.
 12. The amount raised by the issue of debentures must not exceed that of the loans due to the Company.
 13. It can make loans only upon a specified portion of the value of lands.
 14. The shares issued by the Company must be kept at the ratio of at least one-twentieth of the debentures in circulation.
 15. The maximum rate of interest to its debtors is fixed by law.
 16. It cannot buy or make advances on its own debentures.
- The Governor of the Crédit Foncier receives a salary of \$8,000 per year, and holds office for life. The two sub-

governors receive salaries of \$4,000 per year. Their tenure of office is also for life.

The Board of Directors are not salaried, but are paid for attendance at each meeting. None of their decisions are valid unless approved and signed by the Governor. They are not personally responsible for acts done by them as officials.

The Crédit Foncier grants mortgage loans only on first liens. The property must yield a certain and durable rent. It avoids loans on theatres, mines, quarries, and on properties of which the title is divided. The amount of the loan must not exceed that of one-half of the value of the property, or one-third of such value for vineyards, woods, or plantations.

Factory buildings are estimated only at their intrinsic value.

A borrower may repay in whole or in part any time, either in cash or with debentures of the company of the same series as the loan. The loan is liable to recall only if he sells the property without notice to the company or allows it to deteriorate. Interest is paid at the rate fixed by the Board of Directors.

The short term loans of the Crédit Foncier are repayable in lump, or by installments. The long time loans are repayable by annuities, which include the interest and the contribution to the amortization fund. They are payable half yearly in advance. They are determined by the interest rate in combination with the duration of the loan and are calculated to extinguish the debt within a period of ten years or more.

The Crédit Foncier may also make loans to municipalities without mortgage. The laws and regulations are the same in both cases. The loan accounts on mortgages and to municipalities are kept separately and the sums due thereon are preferentially assigned for the payment of the "land mortgage" and the "communal" debentures that are issued against them.

In addition to these two operations the law allows the Crédit Foncier to use any other system, with the Government's sanction, to improve the soil, develop agriculture, facilitate loans to immovable property and extinguish existing debts thereon. Under this clause of the statutes the powers have been extended so that now it takes the bonds of the big contracting and building company, and also lends money to a land mortgage bank in Algiers.

The Crédit Foncier may also receive deposits up to \$20,000,000, one-fourth of which must be placed at account current with the treasury at a rate fixed by the Minister of Finance. Securities may be handed over in lieu of cash if he consents. The balance of the deposits must be invested in Government or Treasury bonds, or (with a few exceptions) in such paper as is accepted by the Bank of France.

In no other cases can the company enter into transac-

tions not strictly connected with loans to municipalities or land-mortgage debentures' business.

The capital of the Crédit Foncier now stands at \$40,000,000 represented by 400,000 shares of \$100 each. Its market price stands around \$168. It paid a dividend of 5 per cent. of its profits and turned the balance over to the obligatory reserve in accordance with the law that requires not less than 5 per centum and not exceeding 20 per centum of the profits to be thus put aside each year until it equal one-half the capital stock. All amortization annuities, and such other sums as the Board of Directors may decide, also go into the reserve. It now amounts to about \$55,636,000.

The total outstanding debentures of the Crédit Foncier now amount to \$920,000,000. They were issued in series, the oldest of which dates back to 1899. They have no fixed time for maturity. But the annuities from the mortgages have been so calculated as to bring in funds equal to their face value within 60 years (in most of the 13 series outstanding), but as far off as 98 years in some cases. As soon as this happens individual debentures are drawn by lot and the holders are paid the principal, along perhaps with a handsome portion of the prize money that has been set aside to make the drawings lively. Without doubt they tell the secret of the great market value of these obligations. A \$1,000 bond recently drew a prize of \$50,000.

In conclusion, we see that the co-operative credit banks serve for providing personal credit facilities usually for small amounts and short terms. The *Landschaften* and mortgage banks deal exclusively with landed proprietors. It is impossible to learn in advance whether any one of the various classes of European banks could be adopted in its entirety here. It probably could not. This is not a one-idea country. It has many varying conditions, and what would do for one part, might not be good for another part. But there is no doubt that models can be found in Europe that might be used as a basis for devising systems and institutions suitable to the needs of the American farmers.

Provision for the establishment of mutual credit banks seems to be a matter of legislation solely for the different States, just as Massachusetts has already done. The organization of land credit is a question that involves national as well as State legislation. In order to give fluidity to farm mortgage securities, and afford them an outlet at home and abroad, a large central land bank with a Federal charter would, theoretically at least, be the ideal institution provided State laws regarding titles, foreclosures, and investments were made uniform.

The distribution of the millions of dollars that are pouring in an increasing stream into the postal savings banks presents a serious problem. The land bank might be employed to divert an equitable portion of these funds to agricultural uses.

The Savings Bank and the Community.

BY JOHN J. PULLEY, Comptroller of the Emigrant Industrial Savings Bank, New York City.

No more important element in the economic life of the country exists than the resourcefulness, individual independence and character represented by the four and one-quarter billions of dollars on deposit in the savings institutions of these United States. This is true both in their bearing on the character and worth of the depositor as an American citizen and on the nature of the service performed by these savings in the hands of those who are entrusted with the conduct of these banks of the people. And if the men charged with the welfare of these institutions do not become awake to changing con-

ditions, these institutions may lose much of these funds, now absolutely free from the combination of capital interests and serving the depositor solely. The loss in that contingency would be primarily a community loss.

To define this contingency and to point out the needs of the situation become a duty to one who can speak on savings banks. The desirability of applying the laws of New York to other States, the question as to the rate of dividend to be paid, the amount of surplus required as absolutely essential, the need of co-operation of mutual and stock banks and the necessity of watching banking

legislation of all kinds are among the factors in a discussion of the problem now before savings bank officials. Do they realize for what the great system under their control stands? Are they mindful of the public's interest when they state that 3 or 3½ per cent. is all the people should receive as interest on their deposits? Should they not receive all that is earned, be it 4 or 5 per cent., after reserving a sufficient amount each half year to maintain a surplus that should be 10 per cent.? Such are some of the questions to be faced. We should, for example, take the public into our confidence, let them know the reason why a certain rate of dividend is paid and permit them to understand the application and workings of the law. The savings bank system is not nearly so generally known as it should be, and the activities of national and State banks and trust companies in establishing special interest departments indicate that the business is worth while. Postal savings are valuable because they act as kindergartens for other savings bank systems. Then they have drawn out of hiding many millions of dollars. As nearly 25 per cent. of all the money in circulation is supposed to be hidden away, the chance of some of this money being deposited where the rate is ½ to 1½ per cent. better lends itself to reasonable comment. Furthermore, there is the astounding disparity between the work performed by the savings banks in upbuilding the country at large and the comparatively negligible influence exerted by these institutions in public matters.

A comprehensive view of the situation demands an orderly statement of the origin and development of the problem. First, in order, is needed a short statement of the beginnings and purposes of savings institutions, together with their influence in inculcating thrift, as becomes the banks of the people. The evolution of these institutions to their present day status and their four and one-quarter billions of dollars on deposit come next, together with a brief classification, showing how these deposits are largely concentrated in the States with the most careful laws, and particularly in New York and Massachusetts. The duty of safeguarding deposits, the nature and conditions of the rate of dividend or interest paid upon deposits and the creation of surplus as a margin of safety need to be treated in turn, after which comes the high desirability of progressive management, facing frankly such questions as the advisability of branch banks and the function of postal savings. The benefits to the neighborhood and to the country in the investment of savings funds in local improvement liens and in public securities must be enumerated and discussed with reference to what would be the economic meaning of a transfer of these funds to the melting pots of the financial centers of the country, because savings bank officials were not alert to their public duty in its broader terms affecting the sound development of the national wealth and welfare. Foreign investment methods which might be imitated in the United States to the detriment of savings bank deposits require analysis, as does the delicate question of how far trustees of savings institutions are awake to the possible perils of new tendencies, perhaps inimical to the banks in their care. A few carefully framed queries to trustees, leaving the answers to be made by themselves, ought to suffice. Then the relation of conservative laws to strong savings institutions should be exhibited in the light of the remarkable illustration afforded by New York State. These points discussed in this order will give the problem and the remedy.

Savings banks or institutions for savings are of comparatively modern origin, both in Europe and America. They had their beginnings in efforts to better the conditions of the poor. In large part their purposes were in the nature of a charity, and the consequence is that they have come to be considered philanthropic or eleemosynary institutions.

The first savings bank of which we know in authentic manner was established in England in 1804. The first to be chartered in America was started in Philadelphia in 1816, the second in Boston in 1817, and the third in New York in 1819.

Regardless of the primary purposes of the founders, these institutions have in their results outgrown their early character. To-day they take their proud place in the front rank of the monetary powers of the country. In this development they have retained the provident and beneficial features characteristic of their first years, so that to-day in them may be found the savings of the humblest toiler with his hard earned, carefully saved pennies, as well as the funds of the frugal man who resists temptation to indulgences that he may put safely away the means which would have given him improvident luxury.

In a spirit of justice, therefore, to the millions of depositors savings banks should be regarded no longer as charitable institutions, but as banks of the people. Depositors in these institutions are not objects of charity, but the bone and sinew of our people, whose accumulations we point to with pride as evidences of our national growth and prosperity. They are the producers of wealth through labor effectively applied. They consume what they require. Their surplus is laid aside as an accumulating fund for future investment. Thus are the savings banks proud monuments, deserving well of the fostering care of the State.

Four and one-quarter billions of dollars are on deposit among the savings banks of the United States, and this vast sum represents the fruits of toil, the evidence of power, industry, thrift and independence.

Like most enterprises having their start in the natural economic order, savings banks have far outgrown in significance, usefulness and power the comparatively narrow scope and purpose of their original intent. They have become an important factor in our political economy. Having no special rights nor privileges, they affect no combinations of capital and they have their existence only in their original capacity. They become public benefactors. Yet they acquire no favors and have no monopoly of savings business. Their depositor is a better citizen, neighbor and friend because of the restraint imposed upon him by the possession of property. His savings are not merely deposited. They are invested in his behalf in the bonds of the United States, in the bonds of his own State or town or county or municipality, in the bonds of well-conducted railroads, or in mortgage loans on real estate in his own city.

Is any local improvement projected? The savings bank is often the capitalist who advances the necessary funds. How many public or corporate enterprises have been carried to successful completion through the agency of savings we may never know, but the character and kind of securities in which the moneys of savings banks are invested will be a suggestive indication of the power of these institutions in promoting public improvements and in aiding in the discharge of public obligation. The mechanic and the artisan have at the beginnings of their labor possessed the ambition to succeed in life and they have contributed out of their weekly wage a sum, no matter how small, to establish a fund which some day would mean a capital large enough to enable them to branch out into business for themselves. Most of the savings banks number among their depositors men who began in this way, who are successful largely to-day and who as a matter of sentiment retain a sum of money on deposit with the bank where they made their start.

On August 1, 1912, the aggregate savings deposits held by 3,100 of the 7,400 national banks amounted to about \$660,000,000 or 12 per cent. of the total. The depositors numbered about 2,300,000. The total capital of the 7,400 banks was about \$1,055,000,000.

The number of savings banks in the United States in

1912 is estimated at about 2,000, the amount on deposit four and one-quarter billions and the number of depositors about 9,800,000, or practically 10 per cent. of the entire population of the United States. These four and one-quarter billions of dollars of savings bank depositors were distributed as follows:

Six New England States.....	\$1,375,000,000
Eastern States (New York, Pennsylvania and New Jersey).....	1,980,000,000
Southern States.....	95,000,000
Middle West States.....	360,000,000
Western States.....	15,000,000
Pacific States.....	395,000,000
Total.....	\$4,220,000,000

These statistics show that 80 per cent. of all the deposits are in the Eastern banks and 20 per cent. scattered over a vast territory, thus demonstrating that adequate facilities are not provided for a large proportion of our people. In the State of New York, with its most carefully guarded savings bank law, 40 per cent. of the savings of the people of the United States is deposited. This important fact is due to the confidence inspired by a good law faithfully executed. The significance of this fact is accentuated by the realization that about one-fifth of the wealth of the Union and not quite one-twelfth of the voting population are in New York State.

Under the stringent provisions of the New York law and the extensive savings facilities accorded, we have an illustration of the best thus far provided for the safety and accumulation of the people and because of such features of safety and convenience the savings banks of that State are liberally patronized by the masses.

Massachusetts ranks next to New York in excellence of statutory provisions relating to savings institutions, and as a result of the confidence thereby inspired, such banks in that State hold one-fifth of the aggregate of all the savings deposits in the banks of the United States.

The people of New York and Massachusetts have on deposit in savings banks something more than 60 per cent. of all the savings deposits in all the country.

The New England States generally have very carefully guarded statutes with reference to savings banks, because institutions of this kind there, and likewise in New York, are organized on what is known in common parlance as "the old style"—that is, institutions organized under the law without capital, purely mutual and managed by trustees who serve without compensation. According to the intent of the law in these States, depositors should receive all the earnings less necessary expenses of administration.

In the eastern section of the United States almost every other person has a savings account. In the Middle West and Far Western States probably one in 500 of the population has a savings bank book.

In these outside sections we find savings banks organized as stock companies, where the interest of the depositor is equal to that of a stockholder and where the depositor secures a fair rate of dividend.

Outside of New England, New York, and a few other States we find statutory safeguards less carefully thrown about the depositor or laws not sufficiently strong to protect this great trust. Undoubtedly in other locations savings banks are as conservatively managed and conducted on as sound and safe a basis as in New York or New England.

Outside the sections discussed and in sparsely settled regions private capital cannot be expected to establish and maintain savings institutions for the mere purpose of encouraging habits of thrift among the community. Capital seeking investment in any profit-yielding venture does not as a rule adopt benevolence as a primary motive.

Since it is conceded that savings facilities, coupled with confidence in the banks, will encourage thrift, keep money in circulation, insure more home comforts and develop

better class citizenship, the question naturally arises as to why an effort should not be made to extend the beneficent influence of sound savings institutions to the large percentage of our population which does not now enjoy the advantages common to those residing in or near the great centers of population.

The duty of the State or Federal Government is to provide safeguards for the protection of the depositors of chartered savings banks and postal savings to the full amount of their claims. Every dollar deposited, together with what that dollar earns, must be held as a sacred trust, and no laxity in this or in the administration of the law can suffer it to become a loss.

The increase and development of this great business should be guarded by wise enactments and by rigid and careful supervision. The great body and mass of patrons of these banks are poor, and their deposits are the sole accumulation they could make during years of toil and privation. There are exceptional cases here and there of persons of ample means who are depositors, but the number of such accounts is comparatively low. In a number of institutions, in the amount of pecuniary interest involved, in the character and ability of those interested and in point of honest and capable administration savings banks are on a par with every other moneyed institution or interest in the State or country. Their claim to wise, considerate and conservative legislation embracing rigid and thorough censorship of their affairs must not be denied.

If the conduct of the affairs of savings banks were not marked by prudence and strict integrity they could not have commanded the generous confidence of the people or grown to their present proportions, making them relatively one of the largest monetary groups in the United States.

Whatever faults are found in the management of savings banks, outside the human element, are due to the exercise of powers conferred by inconsiderate legislation. The great good which these institutions are doing in behalf of great public interests—Federal, State, municipal and local—should not be impaired now or in the future, nor should the confidence of the public be impaired or undermined. If there could be shown to exist errors in management or direction, or if the safety of the banks were jeopardized by too liberal a distribution of profits the safest and most expedient method of correcting such defective condition would be through the intervention of the State executive, acting through his Commissioner of Banks, armed with the proper authority and charged with the obligation to correct the errors at once.

The theory of every savings bank is that so long as it is solvent all the depositors will not want their money at the same time, and that a large portion of the deposits will be required to be kept permanently invested to meet the running expenses and interest to depositors.

Thus the greater the freedom from petty restrictions upon the judgment of officers and the trustees of these institutions the more beneficent the results, so long as the fundamental laws of the State adequately safeguard solvency and provide for sufficient supervision of the comparatively unrestrained judgment of the men entrusted with the conduct of the banks.

Legislation limiting the amount of dividends would result in injustice to depositors and is entirely against the spirit of the law creating mutual savings institutions. But compulsory law as to the amount of surplus each bank should maintain would be entirely consistent with public policy.

The problem of dividends and surplus is engaging the best thought in New York State and a solution of the problem may be found in a compulsory regulation of the surplus required of each individual institution. The active competition for savings accounts by national and State banks and trust companies has placed the savings

institutions at a disadvantage, since to hold their deposits a rate of dividend on a par with the other monetary institutions is needed.

Notwithstanding legislation prohibiting other than savings banks from advertising as savings institutions, an evasion of the law gives these banks the opportunity of obtaining savings accounts under the title of special interest accounts and interest departments. Unless New York State should insist on legislation compelling savings institutions by statute to maintain a 10 per cent. surplus regardless of the judgment of the trustees, the result cannot be foreseen. But the mutual savings bank would be finally forced out of business, and the stock savings bank become the bank of the future, unless the trustees of the mutual banks should then come to a realization that a standard surplus of 10 per cent. must be maintained. The intent of the law regarding mutual banks is that depositors shall receive all the earnings less the necessary expenses of administration, but it lacks force as a compelling influence in building up and maintaining surplus.

The problem in regard to surplus was much accentuated by the prosperous times following the close of the war with Spain, when savings banks deposits within four years increased about 11½ per cent. At the same time an economic tendency towards higher rates of interest the world over set in, thus bringing about a fall in the market value of outstanding investment securities. While this decline bore no relation to the intrinsic merit of the bond, this fall was accompanied by an additional increase in savings bank deposits. Inasmuch as these banks are not allowed to retain their funds in idleness awaiting the favorable market, the statutory requirements to invest at once compelled the purchase of bonds in a constantly falling market. On the first of July last year deposits had increased to such a point that by further reason of the fall in bond prices the margin of safety had declined from 18 6-10 per cent. to 7 16-100 per cent. of the liabilities in a period of eighteen years. In 1909 and again in 1910 Superintendent Cheney of the New York State Banking Department commented upon the growing unsoundness of the situation and the need for very serious consideration of remedial plans.

In his report sent to the New York State Legislature last January Superintendent Van Tuyl of the State Banking Department had this to say:

"I wish to call your attention to the necessity of affording further protection to the depositors in the savings banks of this State by requiring every savings bank to accumulate an adequate surplus. While officers and trustees are usually judicious and conservative, the rivalry that almost necessarily exists between different savings institutions and the competition for deposits with national and State banks and trust companies that has resulted from those institutions paying high rates of interest upon what are denominated 'special interest accounts,' accentuates and increases the natural desire of the officers and trustees of savings banks to make as large a return as possible to depositors. This desire to make a large immediate return to depositors by way of dividends, usually misnamed 'interest,' is, of course, in direct conflict with the even more important purpose of accumulating a sufficient surplus to safeguard beyond question the deposits themselves and cannot be harmonized with it."

Superintendent Cheney in 1909 put the problem in this form:

"For twenty years or more there has been an almost unbroken decrease annually in the percentage of surplus on market value of investments to deposits, such percentage to-day being less than one-half of what it was in 1890. The safety of our savings banks is indeed undoubted, and there can be no successful challenge of the principle that every dollar of net earnings that can be so apportioned with prudence should be distributed to de-

positors, for whose sole benefit the savings banks have been established. But the qualifying words 'with prudence' deserve to be emphasized. Absolute safety of savings funds should always be the primal consideration. The surplus of a savings bank represents its margin of safety. Moreover, surplus adds to the earning power of the bank and the statute itself guards that surplus with jealous care by permitting no part of it to be paid out in dividends to depositors. It cannot be overemphasized that the management of every savings bank whose deposits are increasing should carry proportionate sums to its surplus fund at every dividend period."

The margin of safety for deposits is of more importance than the rate of dividend and that which tends to preserve and still further strengthen the security of deposits is of more primary value to the genuine savings bank depositor than the income. The average savings bank account in New York State last January was \$530.60 and the difference between 3½ and 4 per cent. on that amount is only \$2.65 a year.

The management of savings banks has not yet reached the highest state of efficiency, neither have savings banks throughout the United States yet realized the highest possibilities of these institutions.

Administration should be progressive. To that end a system under more uniform laws should be established and a more sympathetic feeling fostered in all the States, so that the best features of the laws and the practical rules of management might be made the common property of all. Progress would then be steady and wholly beneficial.

Each State should organize its system under the standard of New York experience. The individual banks should form groups, just as national and State banks are doing at the present day. After the formation of State associations and a national body the individual bank would remain the unit.

To start a savings bank, establish it in public confidence and build up its business to the point where its deposits make an impressive total; demand, besides a favorable field of operation, strict economy and careful attention and the exercise of wise judgment on the part of its management.

Branch banks were first considered in New York State about 1904, and the Banking Department then considered it feasible to establish branches in the counties throughout the State where no savings bank existed as a benefit to the community. Sparsely settled sections are not attractive fields for new endeavors, and profits would not warrant operation. The strength of savings institutions may be impaired by the additional liability incurred by establishing branches. The cost of obtaining business and maintaining branches might not compensate either the mutual or the stock bank, and, further, the confidence of a sound, going concern may be jeopardized by this additional liability. It would be better to extend the facilities in all States for the convenience of the people and attract deposits before branching out in thinly peopled districts. Let the first consideration be the security of the savings. The less the expense of office maintenance the smaller the necessary initial drain upon the earnings of the deposits.

The individual savings bank, which possesses a long record of vigilance, good judgment in handling investments and economy of management should not be curbed in dividend rates or hampered in its admirable and loyal service to its depositors, because some other savings banks have not done so well and are not in so good a condition. The rate of interest should be based upon the net earnings of any six months' period, after deducting a reasonable sum to maintain a 10 per cent. surplus, and the net profits distributed to depositors. The maximum interest rate of 5 per cent. named in the New York State law is as much of a barrier as should be erected. It can hardly be contended that for a relatively weak bank to

have to lower its interest rate below that of its stronger competitor injures the smaller bank. The bank is not injured. Depositors who withdraw are paid in full, so that they are not injured. There is that much less liability for the bank.

The growth and prosperity of the postal savings bank is a sure indication that part of these vast deposits will some day find their way into the State savings bank. The postal savings offices will thus become feeders to the previously existing institutions. The depositor who hoards and hides his savings, because of lack of knowledge of the savings bank system, will gradually become educated to the fact that this money can command a higher earning rate than that paid by the Government postals. Whatever opposition existed to the establishment of these postals by banking institutions generally arose from a misunderstanding of their purposes or from purely selfish motives. This opposition is now practically eliminated. No other agency could restore to the channels of trade the great horde of money known to be in hiding. Many of the foreigners are ignorant of our language and institutions, and have no knowledge of the standing and responsibility of our banking system, and they will not deposit in our national or State banks. This class is timid and has faith only in Government institutions, and they must have a Government depository. The absolute guarantee of safety furnished by the United States Government has made a strong appeal to thousands who had never made use of the State savings banks. None of the postal savings bank deposits has been gained at the expense of the regular savings banks. The margin of safety between assets and liabilities to attract these postal depositors to the savings banks must always be evidently sufficient to assure the depositor that his account can be liquidated at any time beyond any doubt.

In France the average savings bank account figures hardly \$75, but the Frenchman buys a Government security, in small denomination, where the foreigner here opens a savings account, provided he has overcome his timidity as to any but Government institutions. In the absence of ability to put his savings directly into the gilt-edged securities of the country, his course of action is likely to prove that the postal savings will not only increase thrift where it is most needed, but will in turn prove to be a feeder to the savings banks.

The tendency to thrift as exhibited by savings bank deposits among the working classes is far more marked in the United States than in Germany, Great Britain, Austria-Hungary or France. For instance, in the United States in 1908 there were about \$3,660,000,000 on deposit in savings banks, and the average deposit was \$420. In 1905 Germany had about \$3,016,000,000 of savings deposits, and an average deposit of \$168. In Austria-Hungary in 1906 there were deposits of \$1,086,000,000, and an average of \$191; in the United Kingdom in 1907 deposits of \$1,020,000,000, and an average of \$82, and in France \$921,000,000 of deposits, averaging \$74 per individual account.

In twenty years the number of savings institutions in the United States increased from 801 to 1,453, and the number of depositors from 3,800,000 to 8,700,000; the amount of deposits from \$1,364,000,000 to \$3,660,000,000, and the average individual deposit from \$355 to \$420.

The very fact that in France the savings bank figures do not show the thrift of the industrious small man is coming to have a significance here. The Frenchman's ability to buy not only Government but other gilt-edged securities in small denominations has a tremendous effect upon the investment tendencies of that nation. The cab-driver in Paris is as likely to own a railway bond as to have a savings bank account. When American railways of the first rank place bonds in France the bonds for foreign consumption are issued in \$100 equivalents, while at home as yet only a comparatively few bonds of real se-

curity amid proper safeguards may be had in small enough denominations to be available for the poor man's savings. But right here lies a menace to the continued aggregate strength of the savings banks in the continued search of the great concentrated moneyed interests of the country for new resources to tap. In the very size of savings deposits—four and one-quarter billions of dollars—lies an element of financial possibility which they might begin to attract to an extent that would draw the savings of the poor to the financial centres at the expense of the industrial uses of the land in the localities where the savings funds are amassed slowly from the earnings of the thrifty poor. To-day only a portion of these funds—that part directly invested by the savings institutions—find their way into railway investment. A great work has been done in the United States by these banks of the people by investing in Federal, State, city, county, town or school district bonds and in real estate mortgage loans. And the continuance of this work is needed in the future more than the country could benefit by the diversion of the small man's savings from his local bank to the bond counters of the financial centres.

The savings bank officers and trustees need to be awakened to the situation, and also those whose interest are wrapped up in the sound real estate development of the communities where the banks are established. If they do not meet the problem, the diverse interests of railway bankers may set in motion a tendency too strong to be counteracted later, whereby funds which are now deposited in the banks of the people and loaned locally on real estate or used to buy city, county, town and other local improvement bonds, will be used more and more in the purchase of securities financed in the money centres, thus taking the use of the funds from the locality in which they are saved and transferring that use of those funds to the financial centres to the lasting detriment of the local thrifty communities. As to mutual banks and stock banks, it has been contended that the banker who may make a fortune for himself by serving his stockholders well would strive harder for dividends than the banker who sits at the head of a board of trustees and must be content with a moderate income because all net earnings outside of surplus considerations must be paid to depositors. This point brings us to the question of the personnel of the trustees. A few pertinent queries may cover this phase of our subject.

Do the trustees of savings banks realize the obligations imposed upon them?

Have they a general knowledge of the extent of the New York standard investment law of 1906 with its automatic workings?

Do they fulfill their whole duty when they declare 3 or 3½ per cent. interest is sufficient for the depositor to receive on the funds which he voluntarily brings to the bank?

Banking by mail is one outcome of conveniences which custom and time have found necessary. It began by a depositor moving away from the city in which he deposited. In his new locality he lacked facilities and he thought himself of his New York bank where his account was formerly kept. This out-of-town mail business has grown among the larger class of institutions. The cost of doing this business is practically nil at present.

There is also a desirable tendency in some large corporations to give their employees a savings bank book containing a credit of his share of the profits of the corporation.

The enactment of a general law in each of the several States of the Union for the conformity of savings bank charters to one statute, for uniformity in investments, for periodical examinations and semi-annual reports is needed. The New York law is admirably conservative. Its only disadvantage is the discretionary power given to individual institutions to name what amount shall be placed in a surplus account to guard against unforeseen

contingencies. The wisdom and expediency of creating and maintaining a large surplus fund must appeal to all sensible conservative trustees who witnessed the depressing circumstances surrounding the panicky condition which existed at the close of 1907.

Whilst the New York State law does not insist upon a stated reserve in the shape of surplus it allows earnings to accumulate after the payment of dividends to depositors to the extent of 15 per cent. of the total amount on deposit based upon the par value of securities. When surplus earnings exceed this percentage the excess must be paid to depositors in the shape of an extra dividend.

In New York the policy of the State is one of rigid control and inspection, semi-annual detailed reports, yearly examinations by the Banking Department, limitations of investments, no capital, no stock, and, above all, a thorough provision for the absolute security and safety of funds on deposit.

Sharply in contrast stand the laws in many States, where legislation as regards savings institutions rests upon the assumption that they are business undertakings for profit to stockholders and gives them a latitude of management common to banking as a business and a freedom to employ funds in profitable channels, such as are sought by commercial banks of discount. About one-half of the States of the Union, as a matter of fact, have no savings bank laws whatever.

In 1906 the State of New York adopted a new standard law for the investment of the funds of a savings bank. This law works automatically. Its enactment marked a long step forward in the progress of the sort of legislative supervision best calculated to strengthen savings institutions, not by restrictions tending to reduce them to the position of suppliants for needed powers, but by granting to them, within the limits defined by the State as necessary, freedom to invest without the approval of special legislation. That this freedom of in-

vestment has been granted by way of the establishment of a standard by which conservative investors of trust funds may safely judge securities in the market ought to serve still another purpose. The railroad corporations whose financial showing entitles their securities to be considered safe and desirable investments for the deposits of the thrifty should thereby hold a right beyond comparison with any other railroad corporation in its title to the confidence of the community.

Previous to this amendment to the New York State banking law in 1906, any syndicate or group of men could control a large block of railway bonds and then apply to the State to legalize the issue for investment of savings funds. The effect of the amendment was to standardize investments. The provisions of the law are automatic in their workings, in that the new general statute does away with the continually recurring need of going to the legislature in regard to specific securities.

There is a limit imposed on the proportion of its funds which a savings institution may place in railway bonds in New York. Not more than 25 per cent. of the assets may be loaned or invested in railway bonds, nor more than 10 per cent. in the bonds of a New York railway corporation or another railway corporation controlled and operated by a New York company, nor more than 5 per cent. in the bonds of any other railway corporation.

Throughout the provisions of the banking law of the State of New York it has been borne in mind that savings banks exist there in order to encourage thrift and to inculcate the spirit of saving in the hearts of the working classes. That the resources of these institutions continue to play their economic part in full measure is a public duty laid upon the men in charge of these institutions and dependent upon their ability to be alert to the changing money conditions of the country.

Committee Reports—Savings Bank Section.

Report of the Committee on Methods and Systems.

Mr. President and Members of the Savings Bank Section:

Your Committee on Methods and Systems begs to report that three matters have occupied its attention during the past year: namely, the Savings Bank Centennial in 1916, the mechanical methods employed by Savings Banks of different size in handling their every-day transactions, with the idea of presenting same to our members as a matter of general interest, and practical value to many, who in the system of others may find something which can be adapted with profit to their own methods, and the Campaign of Education which was referred to this committee by the Executive Committee of the Section at Briarcliff last May.

SAVINGS BANK CENTENNIAL.

The suggestion that there should be a proper celebration of the Savings Bank Centennial in this country in 1916, which was made by our former secretary at the New Orleans Convention and referred to this committee, has been continually before us, but feeling that a too early agitation of the matter would in a measure tend to defeat the success of such a celebration by a waning of interest before its date, it is our opinion that while this centennial should be observed upon a scale commensurate with the importance this country has attained in all things, the arrangements may wisely be deferred until 1914, although we respectfully recommend that it be continually referred to some committee who will keep this important matter before our members.

METHOD OF HANDLING DEPOSITS AND WITHDRAWALS IN BANKS OF VARYING SIZE.

In presenting a brief description of the method of handling daily transactions in various Savings Banks, we have chosen the following, not as being applicable or preferable to systems now employed in banks of similar size, for we feel that each bank knows better than others what is best adapted to its especial needs, but with the idea of showing how Savings Bank depositors are handled in banks of varying size, from the largest in a great city to the small bank in a country town, trusting that our members will find something of interest and possible value therein.

PHILADELPHIA SAVING FUND SOCIETY, PHILADELPHIA, PA.	Deposits	\$108,000,000
	No. open accounts.	277,500
	Average daily	
	transactions ..	2,026

Deposits.—Initial deposit slip (of a different color from ordinary deposit slips), signature card, passbook, index card and ledger card all have number printed thereon. New account slip has perforated stub numbered in duplicate, which is handed by teller to depositor, who hands it to a register clerk, who takes signature upon a correspondingly numbered card. Name is then typewritten in book and on deposit slip by carbon paper, and amount entered in book. Amount is then listed upon adding machine, which serves as new account teller's cash book and is verified on another machine from original slips. Index cards are typewritten from signature cards, as are also headings of ledger cards, the latter proven by bookkeeper, who posts from deposit slips.

Subsequent deposits are made with regular receiving teller, who enters amount upon slip and passes same with passbook to assistant to be entered therein. Book and slip then pass to clerk who makes a duplicate slip of still another color with day of week printed at top, entering thereon number and initials of depositor, omitting amount but listing same upon machine using said list for a cash book. Book and original slip then pass to a clerk who enters number and name upon latter, verifies entry in former by depositor, and returns book.

Fifty listings of machine constitute a column of cash book, and that number of slips which are machine numbered and dated by teller are collected and verified upon a second machine; they are then distributed to bookkeepers, who post therefrom and list amount for each ledger. Postings and verifications are assigned daily by head bookkeeper, no bookkeeper having same ledgers two days in succession. Verifications are made by taking postings from ledger upon duplicate slips, listing same, and handing to head bookkeeper who has previously listed original slips. Total deposits are then checked off from receiving teller's cash book and settlement.

Withdrawals.—Two weeks' notice is required for all withdrawals. Notice is taken on receipt with carbon for duplicate. Receipts with perforated duplicate are printed consecutively in amounts from one dollar to six hundred dollars, and thereafter in hundreds to one thousand dollars. When all the money is wanted, the book is kept for settlement, and a card bearing the number and date when due is given the depositor. After a receipt is signed, the amount is entered in the passbook, the duplicate placed in a locked receptacle, and the depositor takes

the book and the receipt to the paying teller. The latter compares the entry with the receipt, pays the money, and gives the receipt to a listing clerk in a separate cage. They are verified on another machine outside the department, and handed to the accountant, who holds the key for the duplicates; both are arranged numerically for the bookkeepers and pursue the same course as deposits.

BOWERY SAVINGS BANK, NEW YORK, N. Y.	Deposits	\$101,000,000
	No. open accounts.	145,000
	Average daily	
	transactions ..	1,038

Deposits.—Deposits are taken by receiving teller, the depositor being required to present passbook with same. The teller enters the amount in passbook and also makes out deposit slip, giving book number, name and amount deposited. He then hands the passbook with deposit slip to deposit cash book clerk, who enters number, name and amount therein. This desk adjoins the teller's cage, and the depositor in the meantime having passed along to the deposit cash book clerk's window, responds to the call of his name, and is asked by the clerk the amount of deposits made, which the clerk verifies both as to passbook entry and cash book entry before handing passbook back to depositor. The deposit slip then passes to the classification clerk, who has an indexed portfolio containing one sheet for each ledger in use. He enters on the sheet for the ledger indicated by the number on the ticket, the number, name, and amount (the amount being entered on a detachable portion). The deposit tickets are later posted by a bookkeeper, who at time of making entry places at the folio a black card marker. At the close of the day's business, the total of the day's sheets must prove by cash book and teller. The perforated portions are then detached and turned over to the head bookkeeper, and the larger portions, containing the account numbers and names of depositors, go to a bookkeeper who has not made ledger posting, and who, guided by the black card markers in ledger, verifies the account number and depositor's name and enters the amount he finds posted in ledger to said account. Having found and entered amounts for each of the items called for on his sheet, and having examined his ledger to see that in doing so he has cleared his ledger of all black card markers, he foots the sheet and enters the total on summary sheet at head bookkeeper's desk. The total of the summary sheet must prove to the total of the day's deposits. The detached portions bearing the original entries of amounts are used by head bookkeeper to locate any difference in case of failure to prove.

New accounts are handled in exactly the same manner in a separate department requiring a teller and cash book clerk. Signatures are taken in signature book and upon signature card, and description upon card only.

Withdrawals.—The draft and passbook are taken from depositor by draft clerk, who puts the test questions to the depositor and verifies the signature on draft. The passbook and draft then go to the bookkeeper, who enters any interest credited since passbook was last in bank, proves the passbook with the ledger account, and enters the draft both in passbook and ledger, placing a red card marker in folio of ledger when entry has been made. The passbook and draft then go to draft cash book clerk, then to draft classification clerk, and then to paying teller, who makes the payment, returning passbook to depositor and retaining the draft for his voucher. The operation of checking withdrawals is exactly the same as described for the deposits.

WILLIAMSBURG SAVINGS BANK, BROOKLYN, N. Y.	Deposits	\$58,000,000
	No. open accounts.	102,000
	Average daily	
	transactions ..	730

New Accounts.—Desk operated by teller and assistant. Teller receives amount, noting same on deposit slip and signature card, also takes signature and description of depositor in signature book. Assistant simultaneously writes description on card, then enters name and amount in passbook from card, records same item upon journal sheet, asks depositor amount of transaction and delivers book. Cash balanced at end of day with total of journal sheet after deposit slips have been called back.

Deposits.—First to receiving teller, who receives money and passbook, notes amount on slip together with surname on book, then passes both slip and book to assistant, who spindles slip, enters amount in book and on a listing slip and passes book to journal clerk, who enters number of account, surname and amount on a sheet corresponding to ledger number of passbook, asks depositor amount deposited, and delivers book. Cash balanced at end of day with totals of assistant teller's listing slip and aggregate of totals of journal sheets, which must agree.

Withdrawals.—Passbook is presented to draft clerk, who makes out draft for desired amount, secures signature, enters amount in book, verifies balance, initialing amount as O. K.,

and passes draft and book to test clerk, who verifies signature, initialing same, and passes both to journal clerk, who operates as in receiving teller's department, making entries from the book, and then passing draft and book to paying teller, who counts out the money as per draft, calls the name upon book, and if the person responding states the amount signed for, delivers book and money to them.

At end of day machine list of withdrawals is made, total of which must agree with total of journal sheets in order that cash may be balanced. All postings are made next day, and proved by placing upon the journal sheets the present and previous balances of each transaction, difference in the totals of which must equal amount of transactions on each sheet or ledger. Checkers are required to place a check upon each item checked in order that if duplicate postings occur, and are not discovered until trial balance, a reference to ledger will quickly reveal the item unchecked.

WORCESTER COUNTY INSTITUTION FOR SAVINGS, WORCESTER, MASS.	Deposits	\$23,000,000
	No. open accounts.	49,000
	Average daily transactions ..	300

Deposits.—Method of handling new and old accounts is the same, slips of a different color being used for deposits on either. Cards for signatures and card ledgers are used. Teller receives money and enters amount upon slip and stub of same, which is perforated. He retains stub for his proof, and passes book and ticket to counter clerk, who, in case of new account, obtains description and signature, makes out new book and delivers same to depositor, retaining slip, or, if an old account, simply makes entry and returns book. In either case name and amount and amount are verified before delivery of book. Slips are delivered to bookkeepers, who make out cards for new accounts, and withdraw cards upon which postings occur from ledger boxes, and keep said cards out until close of day for making proof.

Withdrawals.—Different colored forms are used for partial payments and amounts closing accounts, each form having a perforated stub. Book is presented to counter clerk who makes out draft, secures signature, verifies same, also amount on book with ledger, removing ledger card from box. He then makes entry in passbook and passes same with draft to teller, who verifies amount and name of depositor and delivers money and book, holding perforated stub for his proof, and delivering receipt to bookkeepers for posting.

This provides three checks on daily transactions—tellers prove with total of their stubs, and a proof is made from ledger cards which have been withdrawn during day wherever transactions occur. The following day all transactions are checked back, and cards sorted back in ledger boxes. Wherever cards are temporarily withdrawn a dummy card of conspicuous color is put in its place.

FARMERS AND MECHANICS SAVINGS BANK, MINNEAPOLIS, MINN.	Deposits	\$14,000,000
	No. open accounts.	61,500
	Average daily transactions ..	725

Deposits.—For making a deposit (assuming that the depositor has already opened an account), he presents his passbook and deposit at the first deposit window. The first teller receives them, counts the deposit, verifies the amount with the depositor, makes out a deposit slip, hands the passbook, the deposit and deposit slip to a second receiving teller by whom the money is again counted, and the amount entered in a blotter and in the depositor's passbook. The passbook is then handed to the depositor. Later the deposit slips are checked with the blotter and the deposits are then entered upon the card ledgers from the deposit slips. The total of the day's deposits are again checked with the totals shown on the blotter.

Withdrawals.—For making a withdrawal, the depositor presents his book at the bookkeeper's withdrawal window. The passbook is compared with the depositor's account in the card ledger. If the two agree, the bookkeeper makes out a withdrawal receipt and enters the amount of the withdrawal in the blotter, with the number of the account, and passes the passbook with the withdrawal receipt (unsigned) to another clerk, who enters the amount of the withdrawal in the depositor's passbook, hands the withdrawal receipt to the depositor, who signs it, and hands the passbook with the signature card, which is pulled, to the paying teller. The depositor passes with his receipt, which he has signed, to the paying teller, who compares his signature. If the comparison is favorable, the receipt is taken up and the passbook and money are handed to the depositor. Later the withdrawal receipts are posted in the card ledgers and subsequently the amounts posted are compared with the blotters.

EXCELSIOR SAVINGS BANK, NEW YORK, N. Y.	Deposits	\$11,000,000
	No. open accounts.	24,000
	Average daily transactions ..	234

New Accounts.—Cards used for signatures and ledgers. Depositor goes first to signature clerk, who ascertains if account is desirable, takes signature and description upon signature

card, also signature upon both sides of ledger card, and makes out passbook. The depositor then makes out deposit slip, and presents same, together with money, to receiving teller to whom book has been passed. Teller enters amount (initialing same) in passbook, gives depositor a card bearing a number, duplicate of which, together with book, is placed upon a shelf from which they are taken to bookkeeper's desk. Bookkeeper enters number of account and amount deposited upon a daily ticker, initialing same, goes direct to ledger, and upon ledger card, which has already been placed there by signature clerk, enters and dates deposit, which he likewise initials. Bookkeeper then steps to his window and calls number upon card received by him with book; depositor holding corresponding number responds and book is delivered to him upon stating name and amount entered therein. Deposit slips are delivered to bookkeepers, listed in deposit journal according to ledgers, and aggregate total of day's work transferred to cash book and journal and posted to general ledger. Subsequent deposits are handled in same manner, eliminating signature clerk.

Withdrawals.—Depositor presents passbook and draft which has been obtained from counter, filled out and signed by him, to clerk next to teller. This clerk balances book with ledger, enters amount in passbook, initials amount on draft and delivers book and draft, together with a printed number, to paying teller, delivering to depositor duplicate number. Paying teller verifies signature, calls number of depositor, who surrenders duplicate and upon giving name and amount receives money and book. Drafts are placed upon spindle and then delivered to bookkeepers, after which they are handled in same manner as deposit slips.

HOPKINS PLACE SAVINGS BANK, BALTIMORE, MD.	Deposits	\$9,000,000
	No. open accounts..	22,000
	Average daily transactions	330

Deposits.—The depositor presents book to receiving teller with deposit, who verifies same and enters on passbook, passes it on to the entry clerk, who records on daily deposit sheet the number, the name of the account and the amount deposited. The postings are made from this sheet by the bookkeepers to the individual ledgers and the total amount of deposits is credited to controlling account in the general books. Each bookkeeper checks off the postings of the other, daily, and in addition is changed to different ledgers every month.

In order to locate trial balance errors in individual ledgers, the accounts are divided into fifteen sections. A summary book, specially ruled for a month's transactions, is operated, in which is entered the totals of daily deposits and withdrawals of each section. This is footed up at the end of the month, and to the total amount of deposits of each section for the month is added the balance brought forward from previous month; from this total is deducted withdrawals for the month, the balance showing totals of the respective sections. As the balances are run off of individual ledgers, each section is listed separately and must agree with corresponding section in summary book. This enables one to locate an error in a comparatively small number of accounts.

HOME SAVINGS BANK (STOCK), WASHINGTON, D. C.	Capital	\$100,000
	Deposits	4,000,000

Deposits.—The savings deposit slips are taken from the spindles, listed on the adding machine, and turned over to the savings bookkeeper, who after posting them by merely bringing down the new balance instead of noting the amount of deposit, makes a notation in his scratcher of the amount of the deposit, and the totals of all such deposits are proved from said scratcher with the totals of all of the teller's slips. These deposits are then written on deposit tickler sheets, the number of the account, the party's name, and the amount is extended on a coupon attached to said tickler, and the totals of these amounts proved with the totals of the tellers and savings bookkeeper. The general ledger bookkeeper takes the amount from the savings bookkeeper's scratcher to post in the general ledger. A proof is made the next morning of all of the entries on savings accounts by detaching the coupons from the deposit tickler sheets, the employee who makes the proof only having the name and number from which to check the amounts deposited, noting at the same time the amount of the deposit on the ledger card, and at the same time on the column of the deposit tickler sheets. These totals are then added and compared with the totals on the coupons above mentioned and any differences are then adjusted by a third man.

FITCHBURG SAVINGS BANK, FITCHBURG, MASS.	Deposits	\$6,000,000
	No. open accounts..	13,000
	Average daily transactions	84

Deposits.—Book and money are presented to teller who makes entry and slip and returns book. At close of day slips are footed by machine, which total is used to balance cash. Another clerk posts slips, lists same in a deposit book and foots them. Slips are then sorted into numerical order for a six months' period, when trial balance is taken.

Withdrawals.—Drafts are handled in same manner; however,

no clerk handling deposits is permitted to handle withdrawals. Ledgers are divided into sub-divisions for purposes of trial balance, and all slips sorted according to such sub-divisions.

OTTAUQUECHEE SAVINGS BANK, WOODSTOCK, VT.	Deposits	\$2,000,000
	No. open accounts ..	5,000
	Average daily trans-	
	actions	35

Deposits.—Cards used for signatures and ledgers. Money and book are passed directly to teller, who makes out slip, enters amount in book and returns same to depositor.

Withdrawals.—Teller makes out draft, enters same in book, compares signature and pays the money.

At night deposit slips and drafts are entered in journal and cash balanced from this record. Postings are made next day from slips. Each month postings are verified from journal entries by an auditor.

CAMPAIGN OF EDUCATION.

Following a suggestion by our present secretary that this Section take the initiative in the matter of instituting a campaign of education in savings banking and thrift among the people throughout the United States, the matter was referred to this committee, as stated, and preliminary steps have been taken toward instituting such a campaign, the committee feeling that it is a matter deserving of our most serious consideration and effort.

We conceive the highest purposes of the American Bankers' Association to be constructive, and believe the economic conditions of our country, which at present are the subject of so much discussion, cannot be appreciably improved until its general thrift is far greater and the acknowledged extravagance of the people curtailed; and we believe there is no nobler work for our Section to attempt than to carry the "gospel of thrift" to the children in the schools, the women in the home, the farmer, mechanic, clerk and business man throughout the land, through every available agency, for it has been observed that ignorance of the nature and functions of Savings Banks and departments permeates all classes, leading some who would be thrifty to bury their savings in the ground because of a distrust of all banks, and others into further extravagance because they imagine the banks despise the small deposits, to say nothing of that great army who have never given the necessity for saving a thought. No, we have not overestimated the necessity for such a campaign, as a study of conditions in most communities will prove, although it has been suggested that we have done so by one, writing from a community fortunate in having a much larger ratio of savings depositors than the country at large.

Our first step was to address a communication to all of our members, bringing this matter to their attention and requesting their views and suggestions as to methods of procedure, for we early recognized the complex nature of this problem, rendered so by varying conditions of locality and population and the various forms of institutions accepting savings deposits. The response was most gratifying, coming from bankers representing forty different States, and with but half a dozen exceptions, all most enthusiastic in regard to taking up such a work, and supporting our theory of its necessity. About fifty per cent. of these letters, while approving the movement, contained no suggestions, but from the remainder were received about thirty different suggestions, interesting as reflecting just so many angles of vision according to local conditions.

Apparently most minds turn naturally to advertising when considering any phase of public education, and hence the suggestions regarding individual and community advertising containing a human interest element, are most numerous. A very close second in the matter of number received comes from those who believe we should begin with the children, both on the farm and in the cities, and work through the schools. Third in rank is the suggestion that articles of an educational nature should be prepared by our office, as well as advertising letters addressed to various classes of people, and furnished to magazines, county and daily papers free, and to banks using the letters, at cost. Next in prominence is the suggestion that free public lectures should be given through the agency of boards of education, Chautauqua gatherings or wherever practicable. And then in the order of number received come the following: Use personal solicitors and letters. Furnish advertisements from our office at cost. Issue booklets from our office in several languages. Issue bulletin of sample advertisements from our office to be paid for by banks using same. Organize a committee in each State or secure co-operation of State associations to push the work. Utilize motion pictures. Advertising novelties. Publishing of small magazines by individual banks. Publish paper from our office to be supported by advertisements. Issue free dime banks. Issue pay envelopes. Publish interviews with prominent men. Encourage small deposits. Emphasize banking by mail. Offer prizes for and publish best letters on methods of saving. Make especial effort to educate foreigners. Make especial effort to offset "wildcat" advertising, offering large returns. Secure co-operation through clearing houses.

The committee feels that these suggestions may most effectively be applied in various localities by those most familiar with local conditions; therefore, before making any recommendations as to method, we respectfully suggest that the

committee who shall be designated to carry forward this work next year (and we sincerely hope that it will be carried forward) be authorized to perfect a working organization in every State of the Union by appointing, or through State associations securing the appointment of, a committee in each State for the purpose of devising ways and means of prosecuting the work in a manner best adapted to their respective localities.

This is the only recommendation we desire to make at this time, feeling that when this organization is perfected and in close touch with our secretary, the next steps will be a matter of evolution. However, we are sure that in compliance with our last letter, sent out in reply to all those who had written us, many have been giving this subject continued thought, and possibly new ideas have been evolved in regard thereto; therefore, as time for brief discussion has been allotted to us at this point upon our programme, we sincerely hope that many will take advantage of this opportunity to express their views, either for or against, and also give us the benefit of any new ideas which may have occurred to them.

Respectfully submitted,

V. A. LERSNER,

*Assistant Cashier Williamsburgh
Savings Bank, Brooklyn, N. Y.,
Chairman.*

W. R. MEAKLE,

*Secretary Paterson Savings Insti-
tution, Paterson, N. J.*

J. C. GRISWOLD,

*Secretary Excelsior Savings Bank,
New York, N. Y.*

COMMITTEE ON METHODS AND SYSTEMS.

DETROIT, MICH., September 12, 1912.

Report of the Executive Committee of the Savings Bank Section.

Mr. President and Members of the Savings Bank Section:

On behalf of your Executive Committee I have the honor to report that, although during the past year we have been deprived of the splendid services of both of the executives of our affairs in the New York office, the work of our Section has proceeded in an uninterrupted and ever increasing efficient manner.

On February 1 last Mr. Kniffin, who had so ably administered the affairs of the Secretary's office since the previous March, resigned to accept the Treasurership of the Onondaga County Savings Bank, of Syracuse, N. Y., and at the same time his very efficient assistant, Miss Muishine, resigned for the purpose of taking upon herself the bonds of matrimony.

However, the condition was satisfactorily met, after serious deliberation, by the President appointing E. G. McWilliam, of New York, as Secretary, and Miss G. M. Waine as office assistant. Mr. McWilliam is a savings bank man of long experience in New York City, having had an acquaintance with the late Mr. Hanhart, and being intimately associated with Mr. Kniffin in the savings bank work of New York Chapter, American Institute of Banking, of which Mr. McWilliam is now President. At the meeting of the Executive Committee held at Briarcliff Lodge, Briarcliff Manor, New York, last May, it was decided that the work of the Section demanded the entire attention of its Secretary, who previously had given but a portion of his time therein, and on June 1 Mr. McWilliam began to devote his services entirely to our interests, and is in constant attendance at our New York office, No. 5 Nassau Street. Miss Waine was connected with the office of the American Bankers' Association some time prior to taking up the work of the Section, which enabled her to assume her new duties with a degree of familiarity.

The meeting of our Committee at Briarcliff Lodge was most interesting and profitable. There were present Messrs. Aiken, Blaffer, Creer, Curney, Hawley, Johnson, Knox, Palmer, Robinson and the Chairman, with the Secretary recording. After listening to a report for the Secretary, resolutions upon the death of Colonel Charles E. Sprague, formerly President of the Union Dime Savings Bank, of New York, and Chairman of our Methods and Systems Committee last year, were adopted and ordered engrossed and forwarded to his widow.

The financial condition of our Section was carefully considered and recommendations made which will result in the material lessening of expense in some directions, permitting the conduct of our business in a more efficient manner, with no added expense.

Reports were received from all committees, namely, the Committees on School Savings Banks, Methods and Systems, Membership and Law, which exhibited a satisfactory degree of activity, and an important suggestion was made by the Secretary relative to instituting a campaign of education in savings banking among the people throughout the United States. This matter was referred to the Committee on Methods and Systems, and their report will be awaited with interest.

This is but one feature of the constructive work carried forward by our Section this past year. Pamphlets have been issued upon swindles, finger-print identification and ethics, and every opportunity taken advantage of for the fostering of all that is best in our profession.

The reports of our various committees will illustrate better than anything else our Section's activities during the past year, and I simply desire to add the hope that next year's Executive Committee will accomplish more than any other toward constructive work and co-operation among savings banks, and the general upbuilding of the American Bankers' Association.

Respectfully submitted,

J. F. SARTORI.

Chairman Ex. Com. Savings Bank Section.

Report of the Secretary, E. G. McWilliam.

Mr. President and Gentlemen.

The Secretary's report will be brief, though I trust none the less interesting for stating concisely the activities of our Section as observed from the "firing line." The first five months of our year, namely, from September, 1911, to February, 1912, the Secretary's office was still under the very efficient management of my predecessor, William H. Kniffin, Jr., who resigned upon February 1 to again take up the reins of bank management as Treasurer of the Onondaga County Savings Bank, of Syracuse, N. Y. I desire to publicly express my admiration of Mr. Kniffin's personal worth and the ability with which he administered the affairs of this office, and can only hope that in time I may merit, in a measure, some of the expressions of appreciation which have been uttered in reference to his work.

During these five months the constructive policy of this office was assiduously carried forward, school savings banks, especially, fostered, and the matter prepared for a pamphlet entitled "Some Savings Bank Swindles and Suggested Safeguards."

From February 1, when I was appointed to this office, to June 1 of this year I was enabled to give but a portion of each day to the work, being still connected with a savings bank in New York City. However, during that period we issued the "Swindles" pamphlet, which had been prepared by Mr. Kniffin, a pamphlet upon "Finger Print Identification," which I found necessary to prepare in order to reply to the many inquiries received relative to this method, which has up to this time been adopted by about fifty banks, and a pamphlet upon the "Ethics of the Savings Bank," by William E. Knox, of the Bowery Savings Bank, New York City. Also efforts were made toward increasing our membership by preparing circular letters for a number of our Vice-Presidents, who sent them throughout their respective States. These letters, besides bringing members to the Section, were of considerable value in bringing members into the American Bankers' Association at large, as in States where there are few savings banks, all banks were circularized with good results. Also during this period we were enabled to be of assistance to the Standing Law Committee in their efforts to secure information relative to the question of the Segregation of Savings Deposits, by sending out for them circulars to all banks, and receiving and tabulating replies thereto, besides handling our daily correspondence, which was large.

As you have already been informed, the Executive Committee at the May meeting, having decided that the work of the Secretary's office demanded one's whole attention, on June 1 I severed my bank connection and since that date have devoted my entire effort to this work. During the period of moving and alteration, incident to the occupation of our new offices in May, there, of course, was more or less confusion, but, thanks to our very efficient office assistant, Miss Waine, the routine was not seriously affected, and we were speedily settled and systematized according to our new surroundings. Our clipping service, from which often many duplicates were received, was temporarily discontinued, and has been arranged to cover only the matters pertinent to savings banks, and will be classified and indexed by the Librarian, thereby being instantly available, all of which will result in a material saving of expense. The services of an office boy were dispensed with as superfluous, and no printing or other work is done without competitive bids. This year each Section will publish its own Convention proceedings, which in our case, will result in a saving of at least one thousand dollars.

Since June 1 our most important work has been that in connection with the Campaign of Education, and we trust you will receive its impetus at this Convention. Besides which the booklet, "What It Can Do for You," has been issued, and the New York State Bankers' Convention at Buffalo visited, at which Mr. Knox delivered an address reflecting great credit upon our Section. All of the savings banks in Buffalo were called upon by me while there.

Our membership, detailed report of which is appended, is now 2,060, and shows a gain of 172 during the year.

Our financial statement, which is also appended, shows that total appropriations made by the General Association for our work amounted to \$9,500, and that our expenses were \$9,343.23, leaving a credit with the Association of \$156.27. However, of these expenditures \$1,134.50 were last year's, charged against this year's appropriations.

We have at present on deposit with banks \$2,024.29. I might say that this is the only Section which is permitted to

handle its own money. This money has arisen, as I said here, which represents the proceeds for sale of books of printed forms to date.

We are constantly endeavoring to promote co-operation between individual banks in communities, as well as our Section, and the measure of success with which we are succeeding is evidenced by the ever increasing amount of mail received, through which we are taken into the confidence of banks upon almost every conceivable question not relating to policy, and are therefore able to be of real service in many instances.

This is our aim—to be your servant and play some small part in securing the co-operation of you who are the strength of your respective communities, in fortifying our great country with principles of saving and thrift.

Respectfully submitted,

(Signed)

E. G. McWILLIAM, Secretary.

September 11, 1912.

FINANCIAL STATEMENT, SAVINGS BANK SECTION.

SEPTEMBER 1, 1911, TO AUGUST 21, 1912.

CREDIT

Nov. 23, 1911. By appropriation of Executive Council....\$7,500.00
Nov. 7, 1912. By appropriation of Executive Council.... 2,000.00 \$9,500.00

DISBURSEMENTS

Rent.....	\$651.64	
Salaries.....	3,279.96	
Postage, stationery and printing.....	1,850.39	
Book of Proceedings.....	2,515.46	
Clippings.....	124.64	
Convention expenses.....	199.70	
Committee expenses.....	501.04	
Sundries.....	220.90	\$9,343.73

Credit Balance with General Organization..... \$156.27

Note.—Of the above amount of disbursements, \$1,134.50 is a balance of last year's expenses charged against this year's appropriation.

MEMBERSHIP REPORT SAVINGS BANK SECTION

DETROIT, MICHIGAN, SEPTEMBER 11, 1912

	Mutual	Stock	Tr. & Sav.	State	Natl.	Trust	Total
Alabama.....	7	7	4	1	1		20
Arizona.....	1		2	2	5		10
Arkansas.....	3	6	10	3	5		27
California.....	1	73	13	36	16	7	146
Colorado.....	4	5		4	3		16
Connecticut.....	47		1	2	3		53
Delaware.....	2			1	3		6
District of Columbia.....	14		1		1		16
Florida.....	3	2	1	8	1		15
Georgia.....	14	2	7	3	4		30
Illinois.....	29	44	31	28	8		140
Idaho.....	1	2	3	3	2		11
Indiana.....	1	18	6	7	6		38
Iowa.....	158	7	7	8	2		182
Kansas.....	6		4	5	1		16
Kentucky.....	3	5	2	3	3		16
Louisiana.....	5	11	2	6	5		29
Maine.....	20			4	5		29
Maryland.....	15	9		9	4		38
Massachusetts.....	83			4			87
Michigan.....	132	2	48	12			194
Minnesota.....	4	2		5	8		20
Mississippi.....	6	1	5	5			17
Missouri.....	31	3	2	1	9		46
Montana.....	2	3	7	4	2		18
Nebraska.....	1	2		1			4
Nevada.....			1	1			2
New Hampshire.....	8	3		1	1		13
New Jersey.....	16	1		24	14		55
New Mexico.....	5	3		2	2		12
New York.....	89		1	17	6		113
North Carolina.....	3	6	7	2	2		20
North Dakota.....	1		6	4	3		14
Ohio.....	8	82	33	13	8		149
Oklahoma.....	1	1	2	2			6
Oregon.....	5	2	5	5	2		19
Pennsylvania.....	9	26	30	16	41		144
Rhode Island.....	6			1	1		8
South Carolina.....	12	2	10	4	1		29
South Dakota.....	5	2	5	8			20
Tennessee.....	5	13		2	7		27
Texas.....	1		4	1	4		10
Utah.....	4	2	3	6			15
Vermont.....	14	11		2	1		28
Virginia.....	7	1	7	11	1		27
Washington.....	7	10	13	10	3		43
West Virginia.....	1	4	2	4	5		18
Wisconsin.....	1	14	3	19	21		59
Wyoming.....		3		1			4
Canada.....			1				1
Cuba.....				1			1
Hawaii.....			3	2			5
Total.....	325	687	260	313	325	156	2066

Total Membership September 1, 1912..... 2,066

Lost by failures, mergers, etc., since May 1, 1912..... 6

Net Membership September 1, 1912..... 2,060

Net Membership, September 1, 1911..... 1,888

Net gain for the year ending September 1, 1912..... 172

Report of Law Committee.

There being no business officially before this Committee, the Committee has no report to make, but nevertheless takes this opportunity of inviting the attention of members of the Savings Bank Section to the report of the Law Committee of the Association in the matter of Segregation of Savings Deposits.

The Chairman of the Law Committee of the Savings Bank Section is ex-officio a member of the General Law Committee of the Association, and as such has participated somewhat in the large amount of work which has been done by that Committee, under instructions of the Executive Council in further investigation of the general subject of Segregation of Savings Deposits and separate investment of savings.

Respectfully submitted on behalf of the Law Committee, Savings Bank Section.

(Signed) J. H. STURGIS, Chairman.

Report of the Membership Committee.**Mr President and Gentlemen:**

Last year down at New Orleans, when President Robinson called on Governor Herrick (who, by the way, as you all know, now adorns the position of Ambassador to France) for a report of the Membership Committee, perhaps some of you remember that the Governor admitted that he did not have any report at all, though he made a most interesting address.

This year, the position of the Membership Committee is somewhat different. On account of the change in the Secretary of our Association, and other unavoidable reasons, we were not notified of our appointment to the Membership Committee until about March. As one of our Committee, Mr. Gurney, came from Fremont, Nebraska, it seemed inadvisable to attempt to call a meeting of our Committee, as the season was so far advanced, and we knew that the Association would circularize all the non-member banks in August. As a matter of fact we have not had a meeting of the Committee until this Convention.

Shortly after our appointment to the Committee, Mr. Edwards, of the Dollar Savings Bank, called on all the non-member banks in New York, but only one has as yet responded.

Immediately after my appointment, I wrote a letter to every non-resident savings bank in Massachusetts that did not belong to the Association about joining. While as the immediate fruits of our labor only four Massachusetts savings banks joined, the Westboro Savings Banks, the Uxbridge Savings Bank, the Springfield Institution for Savings and the Worcester Mechanics' Savings Bank, yet the seed was sown, and I still have constant inquiries, and I feel confident that ultimately practically all the savings banks of our State will join. Our Massachusetts Bankers' Association has been doing fine work in this line, impressing on all the banks the great advantages to be derived from membership in this splendid association.

Mr. Gurney, of Fremont, Nebraska, did all that he could, but a tremendous pressure of business did not allow him to spend as much time as he desired in the matter.

We are exceedingly sorry that your Membership Committee has not until this Convention been able to hold a meeting to talk over these matters, but, as you know, there has been prepared an excellent circular, of which the credit should be entirely given to our most efficient Secretary, Mr. McWilliam, and which has been sent to all the savings banks in the country. This, coupled with the individual efforts which the

members of your Committee have made, I am sure will show more satisfactory results next year.

We are inclined to think it would be well if the new President in appointing his committees would appoint men on the Membership Committee who would be in the same vicinity, if the Committee must consist of but three members, or better that the Committee should be enlarged so there shall be one member from each State. We recommend that the Executive Council give careful consideration to this suggestion, which we strongly favor, believing that the best results can be obtained in securing new members by a large Committee, who can appeal directly to their non-member neighbors.

Respectfully submitted,

(Signed)

FREDERICK C. NICHOLS,
Chairman Membership Committee.
GEORGE E. EDWARDS.
E. R. GURNEY.

Report of the School Savings Bank Committee.

To the Savings Bank Section of the American Bankers' Association:

Your Committee is of the opinion that it is not only a proper educational function to teach the children of the public schools the habit of economy and saving, but also that the inculcation and practice of this habit has a decided cultural value and will improve the character of children to a marked extent, and at the same time will conduce greatly to the ultimate prosperity of the country.

Your Committee believes that the work of establishing savings bank systems in our public schools should take one of the foremost places in the efforts of the Savings Bank Section and of the American Bankers' Association also.

While in France and Germany the general government has established the inculcation of the habit of saving as a part of the educational curriculum, in this country the Committee finds that little is known, either among banks or among legislators or government officials, regarding the plans in use, or the plans proposed for school savings. It finds little interest among school authorities either in establishing or in persistently carrying on this branch of education.

On account of the general absence of statutes authorizing the system, in the face of the lack of knowledge regarding it, and in view of the small interest among school authorities, the Committee feels that our Section has a great work before it, yet one that will repay persistent and energetic endeavor.

The Committee recommends the following:

First: That the Secretary of the Savings Bank Section of the American Bankers' Association be made a member of this Committee.

Second: That the Committee be authorized to make investigation and recommendations respecting the statutes existing and proper to be proposed adaptable to the conditions in the various States, and in respect thereto to ask the co-operation of the Law Committee of the Section.

Third: That the Committee be authorized to ascertain the facts regarding the school savings systems in operation and to make recommendations as to the best plans and agencies for their operation having regard to local banking and educational circumstances, and in respect thereto to ask the co-operation of the Committee on Methods and Systems.

Fourth: That the Committee be authorized to print and disseminate such portions of its findings and reports as it may deem will best serve its purposes.

Detailed Report of Proceedings.

Eleventh Annual Meeting SAVINGS BANK SECTION, Held at Detroit, Sept. 11 and 12, 1912.

FIRST DAY'S SESSION.

Detroit, Mich., September 11, 1912.

President Aiken: The Convention will please come to order. It has been the custom, in the opening of the Convention of the Savings Bank Section, to have the meeting opened with a prayer. Such an arrangement was made for this gathering. I regret to say that we have received the following telegram this morning, addressed to Mr. William Livingstone, the President of the American Bankers' Association: "I regret exceedingly it is impossible to be with you to-morrow morning." Signed, Bishop Kelly. As it was too late for the members of the Committee to find some one to take his place, that will have to be dispensed with.

Mr. Creer: Rather than dispense with the usual order of opening our Convention, I move you, sir, that we all rise and recite the Lord's Prayer.

The Convention arose and recited the Lord's Prayer.

President Aiken: The first thing on the programme is an address of welcome by President Livingstone, President of the Dime Savings Bank of Detroit, and of the American Bankers' Association. (Applause.)

Address of Welcome, by William Livingstone.

Mr. William Livingstone, Detroit, Mich.: Gentlemen of the Savings Bank Section, it gives me unmitigated pleasure to greet you in my home town and bid you a most hearty welcome. Amidst the cares and anxieties of life that come to each one of us, it is the little bright spots of life that make life endurable. I want to say to you to-day that this will always be one of the bright spots in my life in having all of you gentlemen present in my home town. I want to say also, just by way of interpolation, that if any of you gentlemen of the Savings Bank Section have your ladies with you, or if there is anything you want in the way of enjoyment that has not been provided for you, I will have a little leisure time for the next two days. I have been very crowded so far. But I will be most pleased to try and assist you in every way possible, so that if you want autos or anything to entertain your ladies, I will put it that way, if you will just kindly let me know I will be more than pleased to help you. I think possibly that I could furnish almost anything that you want. This, of course, is just by way of interpolation.

My first love, perhaps, as you know, all of you know, would naturally go to the Savings Bank. I am a savings bank man, started as a savings bank man. Although we have quite a commercial business now, at the same time I think that we don't differentiate, but it is like the difference between old friends and new, it isn't that you don't like the new friends, but somehow or other there is a certain indefinable something with the older friends, that as the years roll by we cling a little closer to the old friends and we don't make new friends quite as rapidly as we did in earlier years. You have the largest Section in the American Bankers' Association, something over 2,000, I understand—2,060. You have a very large increase this year. I haven't any doubt in the world but that you will continue to grow, and be as you are now, one of the most powerful factors; one of the most powerful Sections we have in our whole American Bankers' Association. As I mentioned yesterday, fifteen years ago, when the Convention met here of the American Bankers' Association, the Association had a little over 2,800 members, and now we have over 13,000. Those figures speak for themselves.

I know that you have been delayed very much this morning in the opening of your Section, and you have, as I notice by your programme, quite an extensive programme, and for that reason I will not detain you with a multiplicity of words which would not possibly add to the great delight that I have in having you here. I will simply say to you now that we shall be more than glad to have you come to Detroit either singly, in numbers or in any other way. I want to assure you, in the very strongest possible manner, as strongly as words may express, that for you our welcome ever smiles and our farewell goes outside. (Applause.)

President Aiken: Mr. President, on behalf of the Section, I want to express to you our deep appreciation of all that you and your associates have done here for our entertainment, as well as for our instruction. The city of Detroit has always been known for its hospitality, and that reputation has certainly been maintained. In addition to that, there is the romantic historic interest that attaches to this old town that was one of the frontier posts, which makes it a Mecca for every one who is interested in the early history of the United States.

We have never anywhere had a more cordial welcome, or been more hospitably received, than we have been here. I am sure in expressing this I simply express the feelings of every member who is here. We thank you very much for your cordial welcome. (Applause.)

Mr. Livingstone: I assure you, Mr. President, the pleasure is ours.

President Aiken: The next business is the President's address.

Annual Address of Alfred L. Aiken, President.

Gentlemen of the Savings Bank Section:

It is a pleasure to report the continued growth of our Section through the tenth year of its existence. Starting from modest beginnings in 1902, the Savings Bank Section has grown steadily until it now has a total membership of over 2,000. The detailed figures of this growth will be duly reported in the Secretary's report at a later time in the Convention, but the Section has justified its existence as measured by standards other than by the mere matter of membership. Ever since its organization it has not only stood for whatever was good and sound and conservative in banking affairs, but it has also enabled its members to profit by close personal contact and interchange of personal experiences as varied as the various sections of the country.

The usual meetings of the Executive Committees have been held, and have been well attended with profit to the Section and to the members of the Committees. The Chairman, Mr. Sartori, will later report in detail of the Committees' doings.

During the past year the Section has seen a change in the personnel of its central office staff, as Mr. W. H. Kniffin, our former Secretary, resigned some months ago to accept a position with the Onondaga County Savings Bank of Syracuse, N. Y. No better evidence of the efficiency of Mr. Kniffin's services can be asked for than his selection for such a responsible position as that which he now occupies. The Section is under distinct obligations to him for all that he did to increase its usefulness and further its growth. We have been most fortunate in obtaining as his successor, Mr. E. G. McWilliam, for some years connected with the Irving Savings Bank of New York, and actively and successfully interested in the New York Chapter of Institute of Banking. He has already demonstrated that he will prove a worthy successor to the late Mr. Hanhart and Mr. Kniffin.

The activities of the various Committees of the Section will be reported by their Chairmen.

In this connection I would earnestly commend the work of the Standing Law Committee of the General Association on which we are well represented. The Committee, under the chairmanship of Mr. Jay, has made a most thorough and exhaustive inquiry into the matter of the Segregation of Savings Deposits, and I would commend to you a careful consideration of their report. The fact that the matter is not to be pressed to a definite conclusion is no evidence of lack of general interest. It is but natural that such a serious change for banks that are not at present under the jurisdiction of a Segregation law should meet with serious opposition, but we believe that this campaign of education will in the end prove effective. The rapidly growing feeling of moral and social responsibility that is so much in evidence in our political and economic life must of necessity work in favor of this cause and will bring home to the bankers of the country a growing feeling of peculiar responsibility as to the custody of the savings of the thrifty wage-earners who, in these extravagant times, have had the moral strength to save something from their earnings. They are obviously entitled, both because of their worthy endeavor and because of their lack of experience in such matters, to peculiar consideration.

I would also call your attention to the campaign of education in matters pertaining to the encouragement of thrift which the Association is carrying on under the supervision of the Committee on Methods and Systems and the Committee on School Savings Banks. Such a campaign should be of far-reaching influence, and should do much to encourage the practices for which we all stand.

It is unfortunate that political conditions have been such the past year as to make it impossible to achieve anything in the way of Currency Legislation. The campaign for such improvement has, however, but just begun, and I would bespeak most earnest co-operation from all the members of this Section to the end that our banking system may be brought to a condition that will meet the demands of present business and economic needs. This question is broader than one of Sections,

and broader than one simply of banking, and it behooves us, one and all as good citizens, to put our shoulders to the wheel to do what we can to see that satisfactory banking and currency legislation is enacted at the earliest possible date.

It is but fitting in ending my term of service as President of the Section that I should express my deep appreciation of the uniform courtesy and help extended to me, not only by the members of the various committees and the Executive Committee, but by the members of the Section as well.

Before beginning on our regular programme I would ask the gentlemen present in rising to speak or who wish to make a motion that they plainly state their name and the State from which they come. This simplifies the duties of our stenographer very much.

The next business is the report of the Executive Committee, of which Mr. J. F. Sartori is chairman, and also is President of the Security Trust & Savings Bank, Los Angeles, California. (Applause.)

Mr. J. F. Sartori, California: Much of this report has already been referred to and covered by the remarks of our President. He has also stated that the work of the committees in detail will be shown by the report of the Secretary.

Report of the Executive Committee.

[The report of the Executive Committee appears on page 204 of this publication.]

President Aiken: Gentlemen, you have heard the report of the Executive Committee. What action will the Convention take upon this?

Mr. J. H. Johnson, Michigan: Mr. Chairman, I move that it be received and filed.

This was seconded.

Thereupon, this motion was put to a vote by the Chairman and the motion prevailed.

President Aiken: The next business is the report of the Secretary, Mr. E. G. McWilliam.

Report of the Secretary.

[We print the report of the Secretary on page 205.]

President Aiken: Gentlemen, you have heard the report of the Secretary. What action will the Convention take upon it?

It was thereupon moved and supported that the report be received and filed.

Thereupon this motion was put to a vote by the Chair and the motion prevailed.

President Aiken: The Chair would like to call the attention of the members to the fact that the financial statement of the Section appears on page 57 of the Book of Reports of the Association, which are here for the members.

The next business is the report of the Law Committee. Mr. John H. Sturgis, Treasurer of the Franklin Savings Bank, Boston, Chairman of this Committee, was unable to be present. Mr. Sartori, as a member of that Committee, will report on Mr. Sturgis' behalf.

Mr. J. F. Sartori, California: Mr. President, this Committee consists of Mr. Sturgis, Mr. Knox and myself. Both Mr. Sturgis and Mr. Knox being absent, I will read the report of the Chairman.

Report of the Law Committee.

[We print the report of the Law Committee on page 206.]

President Aiken: You have heard the report of the Committee. What action will the Convention take upon it?

It was moved and supported that the report be accepted and filed, which motion was put to a vote by the Chair and prevailed.

President Aiken: The next business is the report of the Membership Committee, which will be made by Mr. F. C. Nichols, Treasurer of the Fitchburg Savings Bank, Fitchburg, Massachusetts.

Report of the Membership Committee.

[The report of the Membership Committee will be found in page 206.]

President Aiken: Gentlemen, you have heard the most excellent report of the Membership Committee. What action will the Convention take upon it?

It was moved and seconded that it be received and placed on file, which motion on being put to a vote by the Chair prevailed.

Mr. Frank H. Briggs, Colorado: Mr. Chairman, wouldn't it be well for this Section to endorse the suggestion contained in that report, and also emphasize it, that the Membership Committee be enlarged so as to include one member from each State? I make that as a motion.

President Aiken: Mr. Briggs moves that the Membership Committee be enlarged so that it shall consist of one member from each State. Is the motion seconded?

The motion was seconded.

President Aiken: The President would like to ask Mr. McWilliam to say a word in regard to that. I have talked with

Mr. McWilliam about it, and he is well posted as to the general efforts made in obtaining members and as to the most effective and economical method to pursue. I will ask him to say a word with regard to that.

Secretary McWilliam: Mr. Chairman, in that connection I would simply say that we have a Vice-President in every State now, whose special function it is to help the Membership Committee in obtaining new members in their respective States. It seems to me that adding to this Committee would make it a little unwieldy. I would, therefore, suggest if you want to increase the size of this Committee that you increase it, say, to five instead of three, and then let them get into personal touch with the Vice-Presidents in each State, whose special functions it is to foster these matters.

Mr. J. F. Sartori, California: Mr. Chairman, that is just the point I desired to make. I was Vice-President for our State at one time, and when letters were sent to me as such Vice-President, I felt it my duty to send a personal letter to every banker in the State soliciting his membership. I think that is the idea of not only this Section, but of each of the other Sections of this Association, and that that is supposed to be the duty, one of the duties, of the Vice-President for each State of these various Sections.

Mr. H. P. Beckwith: Mr. Chairman, I occupy the same position as Mr. Sartori and happen to be a Vice-President in North Dakota. I agree with him entirely. I understand that the chief function of a Vice-President is to kind of look after the interests of the Savings Bank Section. I know I have tried to do something, with fair success. If it is in order, I would move you, sir, as a substitute motion, that the Membership Committee be increased to five members, and that this membership Committee should get into communication, of course, with the natural channels, the Vice-Presidents, as they act in their different States. With five members you can get three together most any time.

President Aiken: The Chair would say that there is no limitation on the number of members of this Committee. I will say that the power to appoint five, or seven or any number is lodged in the appointive power.

Mr. Beckwith: I didn't understand that.

President Aiken: Is the amendment seconded?

The amendment was here seconded.

President Aiken: Mr. Briggs, do you accept the amendment to your motion?

Mr. Briggs, South Dakota: I shall be very glad to.

President Aiken: Are there any further remarks? The question is as to the amendment to Mr. Briggs' motion that the President appoint a Membership Committee of five, as I understand it?

Mr. Beckwith: Yes, sir.

President Aiken: Who are to co-operate with the Vice-Presidents in the States in obtaining new members for the Association. Are you ready for the question?

Voices: Question, question.

Thereupon, the amendment was put to a vote and prevailed.

President Aiken: The next business is the report of the Committee on School Savings Banks, of which Committee Mr. N. F. Hawley, Treasurer, Farmers & Mechanics Savings Bank, Minneapolis, Minnesota, is Chairman.

Mr. N. F. Hawley, Minnesota: Mr. Chairman, this Committee was appointed in March, and since that time, while there has been considerable correspondence by the Chairman, the Committee as a whole have had little more time than to become impressed with the magnitude of the work that has been put upon them. The report is as follows:

Report of the School Savings Bank Committee.

[This report appears on page 206 of this publication.]

President Aiken: Gentlemen, you have heard the report of the School Savings Bank Committee. What action will the Convention take upon it?

Mr. Stephenson, Indiana: I move that it be received and filed, and also would suggest that we approve of the recommendations made in the report.

Which motion was seconded, and on being put to a vote by the Chair, prevailed.

President Aiken: The Chair cannot but express appreciation of the evidence of interest in the proceedings of this Section. In the seven or eight years he has been attending these meetings I think there has never been any such attendance as this at a meeting of the Savings Bank Section. As an evidence of gratifying interest in the things that we are pursuing, it is most satisfactory. The Chair feels confident it is partly prompted by the interesting speakers that the Committee on Arrangements has asked to come here. They decided, after some deliberation, that they would invite the Post Office Department to send a representative here to speak on Postal Savings Banks. Many members of the Association, probably a majority, were opposed for various reasons to the establishment of the Postal Savings Bank in this country, but an omnipresent Congress passed a law providing for such savings banks, and they are now in successful operation. It seemed to your Committee that, as liberal minded men and as public

spirited citizens, as well as bankers, it behooved us to have at least an intelligent knowledge of the method of conducting these banks, so that perchance it might be demonstrated to us that our fears were groundless, so that we might be in a position both to recommend or to criticize the operations of these banks, looking, in co-operation with the Post Office Department, toward the encouragement of the very objects for which the savings bank stands. The Post Office Department was good enough to designate the gentleman at the head of the Bureau of Postal Savings Banks, Mr. Weed. Mr. Weed has come here at considerable personal inconvenience to tell you what he has done there. Mr. Weed has constructed the Postal Savings Banks of the United States as they exist to-day. The responsibility was put on him, and he has been largely responsible for the carrying out of this law. Whatever our feelings may be, those of us who know what the operations of the Postal Savings Bank are to-day know that it is an administrative task which has been one beyond the imagination of the average business man's experience, it is so wide in extent, and the detail of its operation is so overwhelming. We are to be congratulated that we have with us a man who knows just what has been done, what it is proposed to do and what the Postal Savings Bank will probably accomplish in the future. I have great pleasure in introducing Theodore L. Weed, Director of the Postal Savings System in the United States.

Mr. Theodore L. Weed: Mr. Chairman and Gentlemen: The Postmaster-General had looked forward with a great deal of pleasure to addressing you gentlemen until only a short time ago, when Congress, after an unusually delayed adjournment, passed the Parcel Post Bill and thereby added one more to the many burdens we are now carrying in the Postal Department. As you probably recall, Congress adjourned about the end of August and allowed us only four months in which to prepare for that stupendous new undertaking, and necessarily it required the entire time of Mr. Hitchcock in Washington, so much so that he has had to forego any plans for a vacation that he might have had in mind. You know that Congress is not usually considerate of the plans of any officers in the Executive Departments of Washington. Perhaps you gentlemen yourselves have had some little experiences with Congress in that respect. I know I did have an experience of that kind two years ago when they passed the Postal Savings Bill on June 25, 1910. At that time we were in the midst of the tremendous fight we had with the magazines. You will remember that we made a determined effort to change the rates on second-class material, and the opposition it aroused from the publishing interests of the country was gigantic.

But, however, two years ago on June 25, 1910, the Postal Savings Bank Law became a law after an agitation that had lasted for all of forty years in this country.

The Postal Savings Bank and the Banks.

[Mr. Weed's address in full will be found on page 190 of this publication.]

President Aiken: Mr. Weed, we are all very grateful to you for your interesting and enlightening talk. Gentlemen, in regard to questions which Mr. Weed will be kind enough to answer, it seems to me it is but fair to Mr. Weed to say that it would hardly be fair to ask him controversial questions as to the merits or demerits of the Postal Savings Bank. Mr. Weed is anxious to answer, so far as he can, any questions as to the operation of the law, so in asking questions the Chair would ask the gentlemen to please refrain from asking controversial questions.

Mr. A. W. Johnston, New York: I certainly appreciate the information that Mr. Weed has given us here. I would like to ask a few questions which would add to our knowledge, and the questions I think will appeal to all present. First, is there a method of report by which the nationality, age and so forth of the depositors in the Postal Savings Bank is kept?

Mr. Weed, Yes, sir.

Mr. Johnston: Does it ask them the question when they make their deposit as to whether they have any deposits in other banks?

Mr. Weed: No.

Mr. Johnston: What means, then, could be had of ascertaining whether they were bank depositors previously or not?

Mr. Weed: Well, so far as the records are concerned, none.

Mr. Johnston: Then, let me ask you, after they have taken out this account, at any time, while the limit is only \$500, can they take up bonds in any quantity between that time and still keep up their maximum of \$500, no matter how many bonds they take up of the United States Government?

Mr. Weed: Yes, sir.

Mr. Johnston: Then it is practically unlimited and they can take up bonds at any time they choose for this money?

Mr. Weed: Yes, but to the extent of \$1,000 a year. A man might, by making his deposit of \$100 a month, start in January, reach the maximum in May, convert this into a bond at the end of that time and then begin over again.

Mr. Johnston: Is there a public report? Has there been a public report giving such statistics as the Postal Service has taken?

Mr. Weed: Yes, under the law there is. I thought I had a copy of it with me, but I find I have left it downstairs. Under the law the Board of Trustees is required to submit annually at the close of the fiscal year, which is, as you know, in June, an annual report, showing the amount of money on deposit, the money withdrawn, interest paid and receivable and many other statistics of a similar nature regarding the nationality, age and sex of the depositors.

Mr. Johnston: In a number of Postal Bank offices that have depositors, what is about the present receipts, the total amount per month?

Mr. Weed: In banks?

Mr. Johnston: In post offices, money?

Mr. Weed: Well, it varies, of course. It varies very widely. In some offices we have not received a dollar a month.

Mr. Johnston: Well, of all the offices per month of the United States, or per week.

Mr. Weed: Oh, I understand. I can answer that question. We are receiving now monthly approximately \$2,000,000, \$2,000,000 a month, with 12,000, pretty nearly 13,000, offices in operation. We find our receipts are increasing normally. That is, they increase about between 6 and 8 per cent. a month. Of course, we intend to extend the system monthly, as I said a while ago, at the rate of 1,000 offices each month, until we have designated every money order post office in the United States, which will mean over 50,000 branches in operation. But we must not lose sight of the fact that now, having covered 7,500 offices of the Presidential class, and by that I mean, what are known as first, second and third class offices in the larger cities, we are going into these small fourth-class offices, in the rural communities, where no banks exist and where there are banks who do not care to qualify, and where the receipts at best must be very small.

Mr. Johnston: May I ask, then, what are the withdrawals, the total withdrawals for the same period?

Mr. Weed: I think I am giving you the net figures now. I should say that the total withdrawals thus far, so far as our observation goes, would amount to about 33 per cent. of the total receipts. The withdrawals are very, very heavy, and they are very extensive, but I do not see how the United States Government can do otherwise than we are doing now. The suggestion has been made that we accept an account only with a proviso that no money shall be withdrawn short of thirty days' notice, not because we haven't the money on hand, but in order to, in effect, force the people to save. But the broader view is that it would destroy confidence in the system, and that is something that the Government as a Government should not attempt to do.

Mr. Johnston: Are there statistics giving all the general expense that the Government has incurred or is incurring in Postal Banks?

Mr. Weed: Oh, yes.

Mr. Johnston: Will you give me the total?

Mr. Weed: No, I could not yet, because we are not prepared to give it out. But a very accurate cost keeping system is employed in our Bureau, and we know what it costs to maintain our headquarters. There is a more indefinite proposition, however, in the post offices. With very few exceptions we have not employed any additional clerks in the post offices. We have simply taken up the slack time, as we term it, of clerks in most of these post offices. In post offices where there are money order clerks it stands to reason that people are not standing there in line waiting to buy money orders at all hours of the day. So it happens in these periods, when the clerk is not working on money order business, these money order clerks devote their time to the Postal Savings work. Just what that involves is an unknown quantity, but we are getting reports from the postmasters. When these are received I can give you more definitely the figures on that proposition.

Mr. Johnston: Have there been any serious losses, burglaries in the Postal Savings System?

Mr. Weed: No, there cannot be. You understand that our postmasters are bonded, so that in any event if our largest post offices were looted, the Government would lose no money, the bonding companies would suffer the loss.

Mr. Johnston: If a safe is burglarized and \$50,000 is taken from it, is that considered to be the postmaster's loss?

Mr. Weed: It is between the postmaster and his bondsmen entirely. The Government cannot lose a thing. There have been, and, of course, always will be, some minor robberies. We have ourselves, though, a very important detective force, known as the Post Office Inspection Service, about which you have read. You are quite familiar, too, with those operations within the past two years in running down many of the fraudulent enterprises in the country. So it happens when these small burglaries occur, as a general proposition, our post office inspectors catch up with the thieves. I might state the instance of the Richmond Post Office about a year and a half ago where about \$90,000 was stolen, and we recovered it all but a very small amount of stamps. But, if not recovered, as I say, the United States Government can lose no money, because our postmasters are all bonded.

Mr. Johnston: Is there any account of what disposition is

made of the funds deposited with the banks after they have been deposited with the banks as to whether any of it goes in local mortgages, or what proportion of it goes in local mortgages?

Mr. Weed: No, no. You mean after we turn our money over to the national and State banks.

Mr. Johnston: Yes.

Mr. Weed: Not at all, no. That is a matter with which we are not concerned.

Mr. David McK. Lloyd, Pittsburg: What I would like to ask Mr. Weed is this, in particular: I have never opposed the Postal Savings Bank Act. I have been invited to go down to Washington to fight it and so forth, but I have not done so for this reason: I have always claimed that the largest amount of depositors that the Postal Savings Bank could receive would be from the foreign element, because they are trained up, you know, in their governments to rely on the government, and that in time if the savings banks would pay a very larger amount of interest, that the government would train them up, train up this foreign element, and eventually that the savings banks would get the benefit of their training. The reason I would like to ask the question is this: You were naming over some of the cities that had deposits, had depositors, and the amount of deposits. I come from Pittsburg, Pennsylvania, where we have the coke ovens and other industries, and we have a very large amount of the foreign element there. I would like very much to know what success you have had in Pittsburg in the amount which has been received in deposits.

Mr. Weed: Pittsburg, to a certain extent, has been a disappointment. (Laughter.)

Mr. Lloyd: That is because we pay 4 per cent.

Mr. Weed: When we started a Postal Savings System the Postmaster General was most careful to go into only those offices where the postmaster, in the first instance, had a good rating. You know we rate our postmasters just the same as we do our clerks, and if they are no good they are usually put out of office. Well, as I say, we went into the offices where the rating was good. The next consideration was the foreign element of population, and the foreign money order business. Do you know that last year about \$100,000,000 was sent abroad through the money order system? Well, it was our great ambition to hold as much of that money in this country as possible, because this destination in Europe is unnecessary. Some of it undoubtedly goes to the foreign postal savings banks. Some of it, and a good deal of it goes to the relatives of immigrants, who bring it back to the United States again. Through our desire to hold all that money in this country, as I say, we selected those offices where the foreign money order business was successful. That naturally took us into Pennsylvania, into your coke and coal regions. I am very frank to say that many of those smaller places in Pennsylvania have responded most gratifyingly, but for some reason Pittsburg is a disappointment. I haven't even got it rated here in the twenty-seven largest cities, the twenty-seventh of which is Louisville, Kentucky, with \$110,000. Therefore, I judge you have about \$100,000 there.

Mr. Frank N. Briggs, Colorado: I want to ask one or two questions of Mr. Weed. I would like to ask, and I presume he knows without any trouble, whether the foreigners who are depositors in this system exceed in number the Americans?

Mr. Weed: No, they do not. About 25 per cent. of them are foreigners.

Mr. Briggs: The Americans then are the greatest depositors in this system?

Mr. Weed: Yes.

Mr. Briggs: Another question I wanted to ask was this: Isn't it a fact that the capitalization of the national banks, the capitalization and surplus in the United States, is a great deal larger than that of the State banks of the United States, so that your deposits in national banks, which are based entirely upon capital and surplus, is much larger in the national banks than in the State banks.

Mr. Weed: I wouldn't undertake to answer that.

Mr. Briggs: I believe that is true. There is another question which came to my mind, which may not be entirely a question, Mr. Weed: Was the statement you made in the beginning of your address, that you personally favored the taking off of the limit on deposits that could be made, provided the interest rates were reduced, correct?

A Member: No, that wasn't it.

Mr. Weed: No, it was provided that the amount at which interest was paid was limited to \$1,000.

Mr. Briggs: I will accept that and I beg your pardon for the misstatement. I did not intend to make a misstatement. It amounts, however, to a reduction in interest. It is a reduction of the amount that will draw interest. It is a maximum of \$1,000 on which interest can be paid.

Mr. Briggs: Now the total limit of a deposit is \$500?

Mr. Weed: Yes.

Mr. Briggs: For any one individual?

Mr. Weed: Yes.

Mr. Briggs: You advocate the withdrawal of that limitation and leave it at an unlimited amount providing that no interest shall be paid above \$1,000. Is that it?

Mr. Weed: That is substantially it, yes. I would advocate this act—well, let me tell you the story comprehensively. The law limits depositors to depositing \$100 a month.

Mr. Briggs: Yes.

Mr. Weed: And restricts the maximum balance to \$500.

Mr. Briggs: Yes.

Mr. Weed: I advocate no limit on deposits. I advocate that because of these tremendous sums of money which we are apparently turning down and sending back to their places of hiding every day. But, I would restrict the sum upon which interest may be paid to \$1,000. The reason I entertain that view is because I believe that would prevent money being drawn from banks by people who are more or less timid, especially from savings banks, who would place it with the United States Government in order to get a fairly good interest, and putting it where they consider they have the security of the nation.

Mr. Briggs: Now, Mr. Weed, I may be slightly out of order in what I am going to say. I will give you an illustration for the purpose of fixing this in your mind—

President Aiken: Mr. Briggs, I am very sorry, but the Chair must rule that out of order. That opens up a controversy over which we can talk indefinitely. Mr. Weed is simply to answer questions as to the operation of the law, and not to discuss the merits or demerits of the system.

Mr. Briggs: At a later time, then, in this Convention I shall offer a resolution voicing our sentiment against the taking off of the lid on savings deposits. I am of the opinion it would be a very dangerous thing.

President Aiken: That will be within your rights, sir.

Mr. Fred W. Hyde, Jamestown, N. Y.: It is an axiom that a safe made by one man can be cracked by another man. You state that your certificates are practically perfectly safe.

Mr. Weed: Yes.

Mr. Hyde: We have so many drafts and checks forged and misused that I would like to know the method by which you make that absolutely safe.

Mr. Weed: I will be very glad to tell you, which requires a description, of course, of our operation. Our certificates are issued in duplicate. They bear a statement upon the face that they are neither negotiable nor transferable. When the depositor makes a purchase say of a \$100 certificate he signs a duplicate in the presence of the clerk. That duplicate is placed on file in the post office in a jacket, on which, speaking of the jacket, he has likewise signed his name and answered a number of strictly personal questions, his age, his father's name, his mother's name, his place of birth, whether married or single, if married his wife's name. He takes away the original of that certificate which is his evidence of deposit. Now, a month passes and he wishes to draw down his \$100. He brings that original certificate and the postmaster asks him to endorse it on the back, in the place that is provided for his signature. He does so. That endorsement is compared with the one on the duplicate certificate that has been on file in the post office, and if it does not agree, other questions are asked him of a personal nature, the questions for instance, that around this jacket that is on file with the postmaster, and it becomes readily apparent that the man is a fraud. Of course, in the very first instance, if the man attempted to forge the signature he would have to be pretty clever to do it. But if he could succeed in forging the signature, and bear in mind he has nothing on this original certificate in the nature of a signature, nothing to go by, if he should find it, he wouldn't have the slightest idea how to sign the man's name. But, assuming that he was some intimate of the man, some member of the family, and that he could forge it, why then, he must be in a position to answer these questions accurately that are on the file with the postmaster.

Mr. Hyde: But, if he were a member of the same family wouldn't he be in a position to answer all those questions?

Mr. Weed: That thought just occurred to me as I spoke. (Laughter). That is an illustration that I never used before. I can conceive that such a thing might be possible. It might be that the man was clever enough to forge that signature, and clever enough to answer all these questions, and happen to be a man whom the postmaster did not know, why, then the fraud could be perpetrated. Of course, those are a number of important "ifs."

Mr. N. F. Hawley, Minnesota: Would that be the postmaster's loss or the government's loss?

Mr. Weed: That would be the postmaster's loss. (Laughter).

Mr. J. F. Sartori, California: Suppose that the depositor can neither read or write. What is your system?

Mr. Weed: He may deposit by mark, witnessed by two individuals. The same questions and answers are taken and given, and certain information applying to the witnesses, so that every possible safeguard is thrown around that transaction.

Mr. Sartori: You must bring the witnesses in?

Mr. Weed: He must, yes. We have some difficulty on the Pacific Slope with Chinese and Japanese depositors. Frequently signing in their own characteristics, and we require the presence of witnesses in order to verify the account.

Secretary McWilliam: In that connection, have you ever considered the feasibility of using finger print identifications?

Mr. Weed: Yes, we considered it. We considered it at the time, but we believed that it was unnecessary. We believe it is unnecessary. It may prove that it is not. It may prove desirable one of these days. That remains to be seen.

Mr. Elias A. Smith, Utah: You stated that the depositors, that is, of savings funds, were permitted to use the Sign "U. S. Depository."

Mr. Weed: "For Postal Savings Funds."

Mr. Smith: Should the words "Postal Savings Funds" be attached as a part of that advertisement?

Mr. Weed: Yes, they must be; otherwise it would conflict with the ruling of the Treasury Department.

Mr. Smith: Where such a condition exists where they have not used it what would be your remedy?

Mr. Weed: Where they have not used it?

Mr. Smith: Where they have not used it.

Mr. Weed: I do not represent the Treasury Department.

Mr. Smith: I represent a savings bank and I know of another one who does not use the words "Postal Savings Fund."

Mr. Weed: Well, of course, that is a violation of our regulations, the spirit of it is not the letter of it.

Mr. Creer: There seems to have been a little laughter aroused at Mr. Weed's description of the safeguards thrown about identification. If any banker here present uses any greater or better safeguards, or anything but what is practically identical with what Mr. Weed has described I would like to hear of it.

A Voice.—And I.

Mr. Hyde, New York: That was just the purpose of my question, sir.

President Aiken: If the Chair may interpolate a little personal experience in connection with the bank over which he presides of between fifty and sixty thousand depositors, a great many of whom can neither read nor write. In my experience I remember of no single case where money has been fraudulently obtained through answering the questions Mr. Weed states were asked, by a person other than the one who had originally made the answers.

Mr. Ed. L. Robinson, Baltimore, Md.: I recall a case where all these questions were answered satisfactorily, and the claim was made that it was a forgery. The jury decided that it was not. But, I can conceive that a member of the family could answer such questions. Have you had that experience, Mr. Weed?

Mr. Weed: Well, it is conceivable; but you, gentlemen, have had so much greater experience than any of us. We are mere beginners—amateurs, if you will—but it seems to me this, that it is extremely unlikely. In the first place there are so many elements must agree. A man must be a capable forger in order to reproduce the signature accurately. In the second place he must know the answers to the questions which his brother or his uncle or his father has made, and that is not necessarily a sure thing that he does know. But even admitting that he does, and that he is an expert forger, then a third element enters into it. He has got to be unknown to the clerk at the window. Now, all that is a simple matter in New York or in Philadelphia or Chicago, in most of the communities it is a very difficult matter, because patrons of the post office are well known to the clerks, especially if they go to the Banking Section, just as in your own banks, I think that your receiving tellers become pretty well known. You see the money cannot be withdrawn under our present regulations unless it is actually presented at the post office where the funds are on deposit. It might be a simple matter if he could go to some other city, but he cannot. That money will only be cashed at the office of origin; so there are three elements that must come together: The expert forger, his accurate knowledge of the answers given by his relative, and the fortunate circumstance of his being unknown at the window; and I think you will agree with me that those three elements could rarely come together in any such sequence as that.

Mr. Robinson, Baltimore: I simply wish to state that, as a matter of fact, in our banks those elements did come together, and we have known of several forgeries that have taken place where questions such as these were answered exactly and the signature was very cleverly imitated. We ask the man his residence, his birthplace, his mother's maiden name, his age and his occupation. Of course, that is not done in every case, but practically in every case every depositor is required to answer his residence, birthplace and his mother's maiden name. In this particular case the individual who presented the pass book was acquainted with the handwriting of the depositor, made a very clever imitation of it, answered the questions satisfactorily and obtained the money. I simply want to throw out a suggestion that even with the safeguards that the Department has placed around it, a forgery is possible; and the statement that you made a little while ago that it was almost impossible would seem incredulous to some of us who have had that identical experience. Now, Mr. Weed, may I ask you this question: I live in Baltimore, and should I desire to open an account to the amount, say, of a thousand dollars in Baltimore, \$500 in Baltimore and \$500 of it in Washington, could I not do so?

Mr. Weed: No. The law forbids it. Perhaps there would

be no way that we could detect what you had done, and to that extent we would not suffer, because we would have just so much more money on deposit.

Mr. Robinson: Would I be penalized in any way by having accounts in several cities?

Mr. Weed: Probably not, although the form that you sign, the form of application in opening the account, contains a statement, presumably a sworn statement from you, that you have no other account.

Mr. Robinson: Is it a sworn statement?

Mr. Weed: It should be. It should be. It is not. As a matter of fact, it is not.

Mr. Robinson: I don't want to quibble about it.

Mr. Weed: No. That would be a violation of the law, but I don't know that we would do anything except close out one of your accounts. We have done that already.

Mr. Robinson: Take a traveling man who goes from various points, from one place to another in the country regularly, and he has the power to open an account in any city he wants. But, as I understand it, these certificates can be cashed only at the post office where the deposit is originally made.

Mr. Weed: Exactly.

Mr. Robinson: Some of us are not familiar, Mr. Weed, with the character of that certificate that you issue. How is the payment of interest arranged upon these certificates? Say I make a deposit of \$100 in a Postal Savings Bank and receive a certificate. When would I get my interest?

Mr. Weed: One year after date.

Mr. Robinson: It would be presented at the post office?

Mr. Weed: Yes.

Mr. Robinson: And there paid?

Mr. Weed: There paid.

Mr. Robinson: There is no way by which it could accumulate and compound?

Mr. Weed: It could accumulate but not compound. There is a table on the back covering a period of ten years that shows just how much interest is due at the end of each one of those ten years. If you wish to keep it, not present it for payment, the interest accumulates, but does not compound. However, if you should withdraw the interest, in an amount such as \$1.00, you could immediately deposit that dollar and get interest on that; so actually your interest would be compounding during the years. But, just to answer or to illustrate the point that you raised a moment ago about two accounts, not long ago a man in California did it, and he did it with his eyes open, because he happened to live in one town, and nearby was another to which he frequently went, perhaps twenty or thirty miles away. So he opened his account in each town until he had deposited at the rate of \$200 a month, a total of \$1,000, and then he applied for bonds. He converted each of his \$500 in each office under his own name, mind you, and those two applications came to us at Washington with his signature, and we caught him in that manner. Now you will ask what did we do. We put it up to the Attorney General. I wanted a legal decision. He said that the law provided no penalty, although it stipulated that two accounts should not be opened in one name. So the only thing to do was to cancel one account, return him his money, and to give him his bond for the other account. So there you are.

Mr. A. W. Johnston, Schenectady: Can a person make a deposit in the name of himself or herself as trustee for any member of the family after they have made the first deposit?

Mr. Weed: No, sir, they cannot. The law stipulates that there can be no trustee account nor society accounts or anything short of an individual account. A married woman can deposit free from any interference on the part of her husband; a child, likewise, if the child is over ten years.

Mr. Johnston: In the case of death do you take the same course that we do in regard to administration?

Mr. Weed: Yes, if the amount exceeds a hundred dollars. If the amount is a hundred dollars or less, it is turned over to whomever the depositor signified. But if it exceeds a hundred dollars then letters of administration are necessary. I want to say that I appreciate the suggestion you made a little while ago about asking the depositors, especially the foreign element, if they had any other accounts—if they ever had any other accounts. I am going to adopt that idea. I am very glad to get it, and to get any other suggestions from you gentlemen.

Mr. Johnston: I would like to ask if you will give me the information what percentage of the 33 per cent. of withdrawals are for government bonds?

Mr. Weed: None, none. I have not that in mind at all.

Mr. Johnston: That is outside.

Mr. Weed: That is outside of the government bonds.

Mr. William C. Harris, Missouri: Touching the question of identification of the depositor, has it ever occurred to you, Mr. Weed, or do you use the method upon the identification certificate, which is issued by the office, of taking a word picture of the depositor as to the color of his hair, eyes, height and general contour?

Mr. Weed: No. That would be all right, too. Be a good idea. It was discussed in the beginning, but we thought that it might prove unnecessary, and certainly it would involve con-

siderable labor, and in the larger post offices the men are pretty well rushed as it is.

President Aiken: Mr. Weed, we are most grateful to you for this most interesting and enlightening talk. (Applause.)

Mr. Henry S. Henschen, Illinois: Mr. Chairman, I feel that this address by Mr. Weed has been one of the most interesting that this Savings Bank Section has ever listened to, and I am only sorry that the entire American Bankers' Association could not hear it. I feel that we have been instructed and edified by his remarks, and I move you, Mr. Chairman, that we thank him with a rising vote of thanks.

This motion, being seconded by Mr. Greer, was put to a vote by the Chair and the motion prevailed unanimously, the Convention rising.

President Aiken: Among the prerogatives of the Chair is the appointment of a Nominating Committee to report to-morrow. The Chair will appoint Mr. Edwards, of New York, as Chairman; Mr. J. H. Haas, of Iowa; Mr. Nichols, of Massachusetts.

The Chair would call the attention of the members of the Association to the fact that the meeting for to-morrow is on the programme for 9.30. This is a little early as your Committee knows, but we would ask for as prompt attendance as possible. I think that we can be assured of an equally interesting session. The Chair will entertain a motion for adjournment until 9.30 to-morrow morning.

Thereupon, on motion of Mr. Henschen, of Illinois, duly seconded, the Convention was adjourned until the next morning at 9.30 o'clock.

SECOND DAY'S SESSION.

September 12, 1912.

The meeting was called to order by President Aiken.

President Aiken: The first business on the programme this morning is the report of the Committee on Methods and Systems, by V. A. Lersner, Chairman, Assistant Cashier Williamsburg Savings Bank, of Brooklyn, New York. (Applause.)

Mr. V. A. Lersner, Brooklyn, N. Y.: Mr. President and members of the Savings Bank Section: Your Committee on Methods and Systems is very happy to report that these matters have engaged its attention during the past year. One was the matter of savings bank centennial, arranged for 1916; the second one was the question of mechanical methods of handling over-the-counter business from banks of varying sizes; and the third was the educational campaign, which was referred to this Committee at the May meeting of the Executive Committee at Briarcliff. The report of the Committee has been very kindly printed by the Executive Committee and distributed for your easier pleasure in reading. But I would like to read two sections of our efforts, that which refers to the centennial item, and also to the education. I will skip the matter referring to Methods and Systems in view of the fact that it is largely statistical, and can be much better read and digested at your leisure.

Report of Committee on Methods and Systems.

[The reader will find this report printed on page 202.]

President Aiken: I am sure the members of the Convention are much interested in the most interesting report of this Committee. What action will the Convention take on the report?

It was moved and seconded that the report be received and filed, which motion was supported, and, being put to a vote by the Chair, was unanimously adopted.

President Aiken: Provision is made on the programme for a discussion of this report at this time, but it has developed that some of the gentlemen who are going to speak to us this morning have other engagements in connection with the work of the Association, and the Chair is going to take the liberty of placing this discussion after the addresses.

No one who has been interested in the economic development of the United States can but have been impressed by the great agricultural changes that have been going on here in the last twenty or thirty years. It is within the memory of all of us here that the United States was looked upon as one of the great food supplies of the world. We not only provided for ourselves, but we provided for countries abroad. These conditions have changed within the last twenty years, so that with increasing population and decreasing productivity of our farms we are now barely able to supply our own foodstuffs. The remedies for this must be worked out if we are to be a self-sustaining and prosperous nation. A number of gentlemen throughout the country, recognizing in this one of the most serious problems before the United States to-day, have given generously of their time and of their energy to try to solve this problem. We are fortunate in having one of them here to-day, who will speak to us on "European Land and Rural Credit Facilities." I take great pleasure in introducing Mr. Edwin Chamberlain, Vice-President San Antonio Loan & Trust Company, San Antonio, Texas.

European Land and Rural Credit Facilities.

[This address is printed in full on page 193 of this publication.]

After reading printed address, Mr. Chamberlain spoke as follows:

I might say, gentlemen, that I have gathered a great deal of data in the shape of contracts, forms and laws, constitutions and by-laws, in the different languages where I visited and in other places, and our Committee, the Agricultural Committee, of which Mr. Joseph Chapman is Chairman, are recommending to the Executive Council to have those forms all translated and sent out, giving the essential features that might be of importance to our Association, and I believe the programme to-morrow forenoon of the American Bankers' Association is going to be largely devoted to a discussion of the different features of the agricultural matter, and among them Mr. Charles A. Conant, who is quite an authority on finance, is also going to deliver an address bearing along the same lines as this which I have given, and I am very glad he is, because, of course, he is more of a student and a better authority than I am. I have done this all in just a few weeks over there, but I am greatly interested. I thank you for your attention.

First Vice-President Stephenson: Mr. President, this is a live subject in which not only the members of the Savings Bank Section are interested, but all the bankers throughout the United States are vitally interested in it. I think that Mr. Chamberlain is to be commended for the unselfish manner in which he has devoted his time and expense to the investigation of this subject, and I move that we extend to him a vote of thanks for the excellent manner in which he has presented the subject before us this morning, and that we authorize the Secretary of our Savings Bank Section to have printed a number of copies of his address for distribution among the members of the Savings Bank Section and to others who desire it.

This motion was duly seconded, and, being put to a vote by the Chair, was unanimously adopted.

President Aiken: As all of you gentlemen know, the functions of a savings bank are by no means limited directly to its monetary transactions. We all occupy an important part in the sociological organization of our communities. This is attracting more and more attention. We have with us to-day a gentleman whose bank is, I think, the largest mutual institution of savings in the world, and is doing a corresponding amount of work along these lines. Mr. John J. Pulleyn, Comptroller of the Emigrant Industrial Savings Bank, of New York, will tell us of some phases of that work. (Applause.)

The Savings Bank and the Community.

[Mr. Pulleyn's address on this subject will be found printed on page 196.]

Mr. William R. Creer, Cleveland, Ohio: Mr. President, I desire to offer at this time the following resolution:

"Whereas, the Committee on Methods and Systems has undertaken a campaign of education in savings and thrift throughout the United States; therefore be it

"Resolved, That the Savings Bank Section of the American Bankers' Association heartily endorses this movement, believing that great good will result, both to the country and the banks, and further that this Committee, when it is appointed for the ensuing year, be authorized to appoint sub-committees and proceed with the work according to their best judgment."

I move the adoption of that resolution.

This motion, being duly supported, was put to a vote by the Chair and the motion prevailed.

Mr. Clinton T. Rose, Syracuse, N. Y.: Before proceeding further I think it is due us, as savings bank men, to extend to Mr. Pulleyn a very warm vote of thanks for his excellent paper. His bank, of course, is one of the big banks, and he is one of the big men in this system. I knew his predecessor and his pre-predecessor in that big institution. Some few years ago I had the honor myself of being invited to prepare some statistics on savings banks, and I knew what that means. You cannot go to the Comptroller's report or the State report of New York and find it figured out. It means work. We are under obligations to Mr. Pulleyn for his excellent paper on savings banks. It is worthy of our careful thought and attention. I move a vote of thanks to Mr. Pulleyn for his paper.

This motion, being duly supported, was put to a vote by the Chair and the motion unanimously prevailed.

Mr. Allen W. Johnston, Schenectady, N. Y.: Mr. President, I am one of those who voted just now to thank Mr. Pulleyn, from New York, for his able and interesting paper, and as a New York man I might state that there are a few possible omissions that would be very interesting in connection with his paper; and if I may have just a moment to very briefly state one or two of them which should be considered in connection with the statement which the gentleman has made.

President Aiken: The Chair very much regrets that he cannot permit that at this time. There are a number of matters in the regular order of business that must be taken up. We will be very glad to hear from you later if we have the opportunity.

Mr. Johnston: All right.

President Aiken: The Chair would notify the members of the Executive Committee of the Savings Bank Section that following the adjournment of the present session there will be a meeting of the Executive Committee, including the new members to be elected to-day, in this room.

One other announcement: In view of the wide interest that has been evidenced in the matter of finger print identification for illiterates in savings banks, the Secretary has arranged to have an exhibit of the methods here. Perhaps many of you gentlemen have already seen it, but it is established on the ground floor in the registration room, and is subject to your inspection.

The next regular order of business is the report of the Nominating Committee. I will ask Mr. Edwards, the Chairman, to report.

NOMINATIONS.

Mr. Edwards then read the following report:

"Mr. Alfred L. Aiken, President of the Savings Bank Section, American Bankers' Association:

"Mr. President, your Committee on Nominations beg to submit the following report:

"For President, R. C. Stephenson, Vice-President of the St. Joseph County Savings Bank, South Bend, Ind.

"For Vice-President, J. F. Sartori, President of the Security Trust and Savings Bank, Los Angeles, Cal.

"Three members of the Executive Committee to serve three years: W. G. Toepel, Cashier of the Peninsular State Bank, Detroit, Mich.; Clinton T. Rose, President of the Onondaga County Savings Bank, Syracuse, N. Y.; H. S. Cable, President of the Rock Island Savings Bank, Rock Island, Ill.

"Regarding the nominations for Vice-Presidents for the several States, no opportunity has been afforded the members to make recommendations to this Committee. We therefore suggest that the members make such recommendations to the Secretary of the Section and submit same to the Executive Committee for approval.

"(Signed) G. E. EDWARDS,
J. H. HAAS,
F. C. NICHOLS."

Mr. Wm. R. Creer, Cleveland, Ohio: Mr. Chairman, I move you, sir, that the rules be suspended and the Secretary be authorized to cast a ballot representing all here for the names placed in nomination.

This motion was duly seconded.

President Aiken: To carry out the strict parliamentary procedure, I believe this report should be adopted and an opportunity should be given for further nominations. Will you make such a motion, Mr. Creer?

Mr. Creer: My motion, of course, is, in fact, an adoption of that. There is still an opportunity for further remarks or further nominations if any one sees fit to do so.

President Aiken: The motion is made that the report of the Committee be adopted?

Mr. Creer: Yes.

President Aiken: All in favor will signify by saying "Aye." The motion is unanimously adopted.

President Aiken: Are there any other nominations? If not the Chair will receive Mr. Creer's motion that the Secretary be instructed—will you repeat it?

Mr. Creer: That the rules governing the election be suspended, and that the Secretary be instructed to cast a ballot representing all the delegates present for the names nominated.

This motion, being duly supported, was put to a vote by the Chair and the motion unanimously prevailed.

President Aiken: The Chair will declare the following gentlemen elected: President, R. C. Stephenson, Vice-President St. Joseph County Savings Bank, South Bend, Indiana; for Vice-President, J. F. Sartori, President The Security Savings Bank, Los Angeles, California. For the three members of the Executive Committee, to serve three years: W. G. Toepel, Cashier Peninsular State Bank, Detroit, Michigan; Clinton T. Rose, President Onondaga County Savings Bank, Syracuse, New York; H. S. Cable, President Rock Island Savings Bank, Rock Island, Illinois.

One of the pleasantest duties that devolves upon the President of the Savings Bank Section is the induction into office of his successor. Mr. Stephenson, I want to offer my hearty congratulations, and to bestow the responsibilities, as well as the pleasures of this insignia of those responsibilities and pleasures, upon you. (Applause, while President pins badge upon President-Elect Stephenson.)

I cannot lay down my office without once again expressing my appreciation to the members of this Section for the many courtesies they have shown me, and to congratulate them on their new President and his fellow officers.

President-Elect Stephenson: Mr. President and gentlemen of the Savings Bank Section, I desire to thank you cordially for your kindness in elevating me to the highest office within the gift of the Section. The gentlemen who have preceded me in occupying this office have shown great efficiency and ability, and I shall certainly feel that I have been successful in the administration of my office if I can come up to the standard that has been set by the gentlemen who preceded me in the occupancy of this office. And I would request that Mr. Aiken pro-

ceed to act as the Chairman of this meeting until your adjournment. (Applause.)

President Aiken: I should like to say to the members present that I did not take my watch from the table because of any lack of confidence in my successor.

The next formality is the installation in office of the Vice-President. Mr. Sartori will present himself. (Applause.) I will say to Mr. Sartori that I congratulate the Section on this addition to their executive staff, as well as yourself on the honor that it implies.

Vice-President-Elect Sartori: Mr. President and gentlemen of the Section, I accept the office with a due appreciation of its responsibilities and of the honor conferred. As Mr. Stephenson has just said, our predecessors in office have set such a high standard, they have given so much time, so much good thought and so much of their efforts to the work in the cause of this Section, that it will be quite difficult for me to follow in their footsteps, but I assure you that, considering my limitations, I will endeavor to do the best of my ability in performing its duties. I thank you sincerely.

President Aiken: The Chair had supposed that he had definitely arranged—and I don't wish the members to infer that there was any general arrangement—but a definite arrangement with the prospective President that I should be relieved of my duties on his installation, but that does not seem to have come to pass, so that we will continue as we are for the time being.

Is there any new business to come before the Convention?

Mr. F. N. Briggs, Denver, Colo.: Mr. Chairman, yesterday morning during the discussion here over the report or the address of Mr. Weed of the Postal Savings Bank Department, I gave notice that I would introduce a resolution at this session, or before adjournment, considering a certain question which arose over statements made by Mr. Weed. [The point here raised by Mr. Briggs was then discussed quite at length, but in an informal way, and it was agreed that the discussions should not be made public.]

SEGREGATION OF DEPOSITS.

Mr. Creer: Mr. Chairman, one question which this Section has conscientiously and persistently pursued with a great deal of thought and effort is the segregation of deposits. General bankers throughout the country in various sections have opposed the idea, but slowly but surely the seed of the justice and equity of the segregation of savings deposits and the separate investment of those funds is finding a way and a place among the laws of the various States. I think it meet and proper that we should have a Committee in our Section on Segregation, and I move you, sir, that a Committee of Five be selected by the Executive Council upon the subject of Segregation of Deposits as standing committee.

The motion is duly seconded.

Mr. David Hoyt, Rochester, N. Y.: Mr. President, I have the honor to be elected Chairman of the Executive Committee of the Savings Banks of New York. In 1911 I had a request from the Superintendent of Banks for the appointment of a Committee of Five of our Association and a Committee of Five from the Trust Companies and a Committee of Five from the State Association. We met, fifteen men, in the Superintendent's office at Albany and discussed the subject, and by the way this American Bankers' Association, the law report of 1910, I think, gives a very exhaustive expose of the Segregation of Deposits in the States that have adopted it, and it would be very interesting for you to refer to and read upon it. We talked upon that subject for about three hours, and appointed a Committee of Five to meet the Superintendent of Banks and prepare a bill for the Segregation of Deposits. The tentative bill submitted was very modest, having a limitation of \$500. All sums of \$500 or less deposited in a bank that paid to exceed 2½ per cent. must be segregated—that is, invested in savings banks securities of New York State, under the New York State law. The State went Democratic, and Mr. Cheney, our Superintendent of Banking, in about ten days was down and out. I called on the new Superintendent in New York, supposing he was in New York, and he was not in his office. I met his deputy, and I said: "What has become of that Segregation bill that we were working on?" He said: "Oh, Van Tuyl is a Trust Company man." (Laughter.)

Mr. Sartori: Mr. President, I was about to present a resolution upon the same subject, and I heartily indorse the resolution proposed by Mr. Creer. I hope we will take a vote upon it as soon as possible, for the reason that the time is getting late, and also for the reason that I believe that almost every savings banker present is heartily in favor of the principle of its preparation.

President Aiken: The motion before the house is that the Chairman of the Executive Committee appoint a standing Committee of Five, having for its special consideration the matter of Segregation. All those in favor of the motion will signify by saying "aye."

This motion, on being put to a vote, was carried.

President Aiken: Is there any further business to come before the Convention?

President-Elect Stephenson: I desire to offer a resolution that we extend our hearty thanks to the various members of the Clearing House of Detroit, to the newspapers and the reporters of this city and to Mr. J. H. Johnson, the Chairman of the Entertainment Committee for the courtesies and the many kindnesses that they have extended to us during our sojourn during the Convention in this city.

This motion, being duly supported, is put to a vote by the Chair and the motion unanimously prevailed.

Mr. Sartori: I move that a vote of thanks to our retiring President for the many years of his faithful and efficient service in this Section be extended, and we hope that he will meet with us often in the future and give us the benefit of his experience and service.

This motion, being duly supported, was put to a vote by Mr. Sartori, and the motion prevailed by a rising vote.

Mr. Sartori: The motion, Mr. President, is unanimously carried.

Mr. Creer: If there is no further business I move we adjourn.

President Aiken: Mr. Johnson, of Detroit, has something he wishes to say.

Mr. J. H. Johnson, Detroit: I have nothing to say, Gentlemen, except that I feel that is a rather pleasant finale to seven years of my work on the Council to have been enabled to assist in your entertainment in this hustling, and I hope before you leave you will say, "hospitable city of Detroit." We have been a little bit handicapped in the matter of hotel accommodations, because we have grown so fast that our clothes don't quite fit in the hotel line. But the next time you come this way we will have plenty of room and plenty of rooms, and we hope that you will have a good time until you leave the city, no matter how long you stay. The gate is unlocked and the key is on the outside, and if there is anything we can do for you, let us know. To such as have tickets for the Walker reception this afternoon I will caution that the boat leaves very sharply at 1.30 from the foot of Third Street. I thank you again.

Thereupon the motion to adjourn was put to a vote by the Chair and the motion prevailed.

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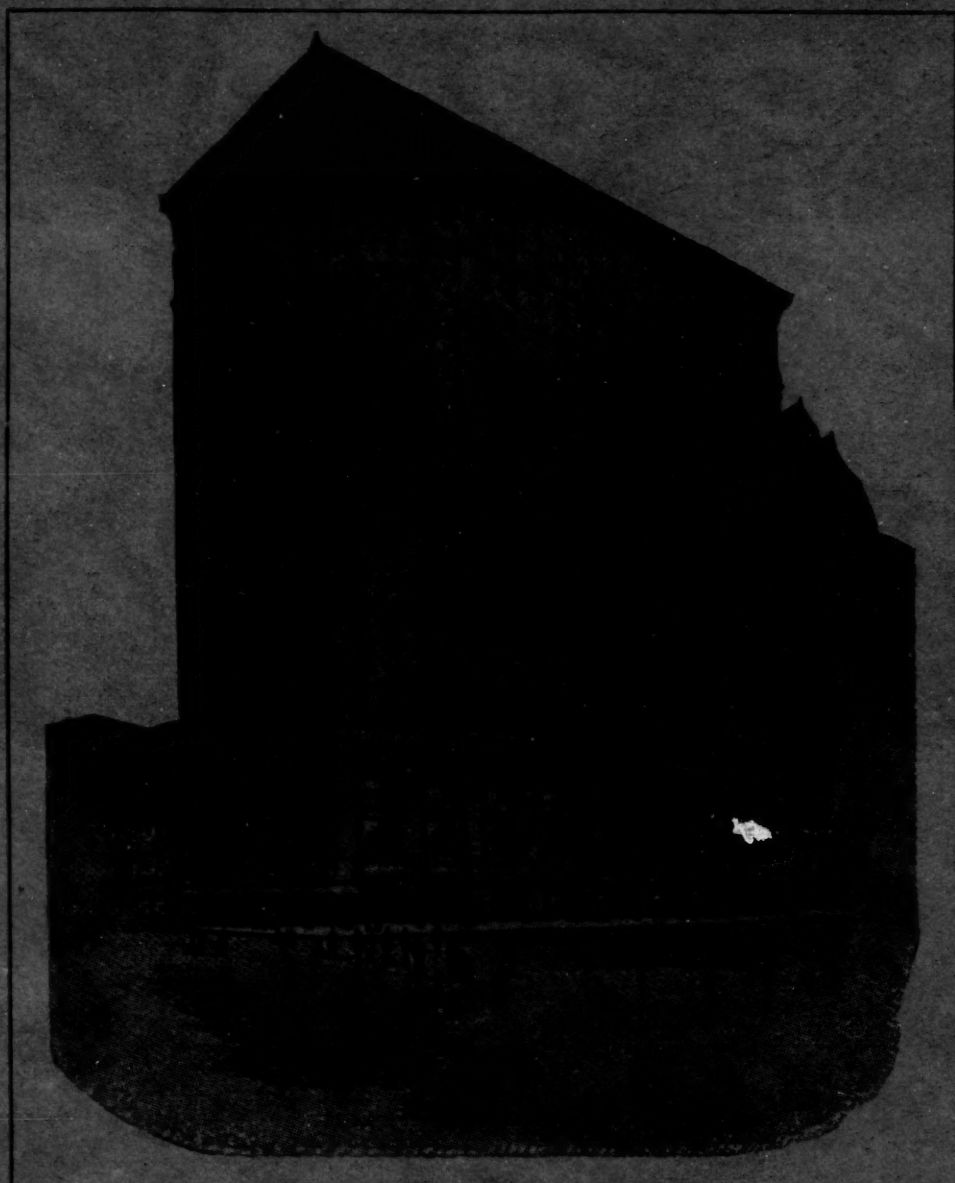
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